

**97**

**FPL's Responses to SFHHA's  
First Request for  
Production of Documents  
(Nos. 50, 73, and 91)**

FPL vs. FLA. IOU's SAIDI	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	AVG.
FPL	68.2	68.2	69.7	69.6	74.3	73.2	67.2	78	77.3	79.7	72.54
TECO	57	71	73	84	69.2	76.8	65.6	76.7	84.2	76	73.35
PEF	88	86	77	75	74.8	78.3	75.7	82.8	93.3	86.9	81.78
GULF	89	80	93	115	205.1	124.8	132.5	140	145.7	112	123.71

**Q.**

Regarding Miranda at 12:3-14:22: Please provide all documents that discuss or relate to efficiencies or scale economies achieved by replacing or upgrading equipment to conform to NERC requirements that had to be replaced in order to either repair storm damage, or conform with Order No. PSC-06-0351-PAA-EI, including all documents that discuss the effect of such scale economy/economies or efficiencies on SAIDI ratings.

**A.**

None. To the best of my knowledge, FPL has no (0) documents that discuss or relate to efficiencies or scale economies achieved by replacing or upgrading equipment to conform with NERC requirements that had to be replaced in order to either repair storm damage or conform with FPSC storm secure order.

POD No. 91

**INFORMATION MANAGEMENT**

Allocation Models (X includes clearing allocation, Y all MGS allocation, Z, ERK allocation in specific BU)  
 X2 Actual number of workstations per business unit (includes Subsidaries) (MIS Model)  
 X4 Actual number of mainframe MVS CPU hours by business unit  
 XE Actual number of workstations per business unit (includes subsidiaries in FPL utility) XE  
 XE Actual number of workstations per business unit (includes subsidiaries in FPL utility) XE  
 XE Actual number of workstations per business unit (includes subsidiaries in FPL utility) XE  
 Y1 Actual number of workstations per business unit (including all subsidiaries)  
 Y2 Actual number of workstations per business unit (includes subsidiaries) (MIS Model)  
 Y3 Actual number of workstations per business unit (includes subsidiaries)  
 Y7 Actual number of mainframe MVS CPU hours by business unit (includes subsidiaries in FPL utility)  
 Y8 Actual % of FPL's subsidaries workforce as a % of total FPL workforce for subs alloc  
 XN1 Alloc of SAP Support using SAP User count  
 XN1 Alloc of SAP Support using SAP User count  
 XN1 Alloc of SAP Support using SAP User count  
 EM Specific Support of EMT/Trade Floor  
 CB Resource Allocation Supporting Affiliates  
 PG Resource Allocation Supporting Affiliates

Follow the driver color legend to navigate to the different supporting tabs

Old Code	SAP Code	SAP Desc
X1	X1	Workstations per BU (US only)
X2	X2	Workstations per BU/AF (All)
X4	X4	Mainframe MVS CPU hours by BU/AF
X6	X6	Radio hrs Worked by BU
X7	X7	Workstations per BU (inc AF in FPL Bldg)
X8	X8	Workstations per BU/AF
X9	X9	Servers per BU/AF
XA	XA	DBA Res % - BI Reporting
XB	XB	DBA Res % - BI Data Movement
XC	XC	DBA Res % - Technical Support
XD	XD	DBA Res % - Diet Syst. Support
Y1	Y1	Workstations per BU (US only)
Y2	Y2	Workstations per BU/AF (All)
Y3	Y3	Based on documents processed by BU
Y7	Y7	Workstations per BU (inc AF in FPL Bldg)
Y8	Y8	Mainframe MVS CPU hours by BU/AF
Y9	Y9	Workstations per BU/AF
YK	YK	SAP User count per BU/AF (All)
YK1	YK1	Servers per BU/AF
YK2	YK2	PGD Specific Support
YK3	YK3	Distribution Specific
YK4	YK4	Transmission Specific
YK5	YK5	Customer Specific
YK6	YK6	Nuclear Specific
YK7	YK7	Support of Staff Groups
Z1	Z1	Distribution EO BMT10
Z2	Z2	Distribution EO BMT10
Z3	Z3	Transmission Equip. Support
Z4	Z4	Support of EMT/Trade Floor
Z5	Z5	Specific Support of EMT/Trade Floor
EM	EM	CBU Resource Allocation Supporting Aff
CBU	CBU	CBU Resource Allocation Supporting Aff

Clearing	AMF		L4 Breakout		BURNS		L3 Total	L3 Total of Total	L2 Total	Total Burns
	%	Count	%	Count	%	Count				
1.2%	2.0%	0.6%	0.0%	0.0%	15.6%	6.0%	97.4%	2.0%	100.0%	23.8%
1.0%	0.2%	1.8%	0.0%	0.0%	14.1%	0.0%	100.0%	97.3%	100.0%	1.1%
8.8%	2.4%	4.0%	3.2%	9.6%	23.2%	3.2%	87.4%	2.0%	100.0%	14.6%
11.2%	3.1%	1.1%	0.0%	10.7%	22.1%	6.2%	100.0%	2.0%	100.0%	14.6%
			0.0%	8.0%	15.3%	13.2%	100.0%	100.0%	100.0%	24.8%
			1.3%	5.0%	7.9%	3.0%	100.0%	100.0%	100.0%	20.0%
			1.9%	9.7%	20.2%	16.1%	100.0%	100.0%	100.0%	0.0%
			1.1%	1.1%	14.1%	1.8%	100.0%	100.0%	100.0%	0.0%
			1.5%	50.0%	12.2%	18.3%	100.0%	100.0%	100.0%	31.8%
5.2%	1.5%	2.2%	0.6%	14.4%	5.7%	4.6%	87.4%	2.0%	100.0%	11.4%
			0.3%	14.5%	7.7%	20.8%	100.0%	100.0%	100.0%	16.3%
				50.0%			100.0%	100.0%	100.0%	2.0%
				22.0%			100.0%	100.0%	100.0%	2.0%
			10.0%	73.5%			100.0%	100.0%	100.0%	2.0%
					27.0%					

INFORMATION MANAGEMENT  
Workstation Cost Allocation Models - Used for 2010 Study of Clearing % and Allocations to be applied to 2011 Inventory Data. ITAM Comp to Excel from Punt Remands. In July 2010 - Includes MDTs ... not final

Table with columns for BU Summary, Workstation Model, and various cost categories (PG, ND, Dct, PD, CS, EMT, FLEX, HR, BSC, EAF, GC, IM, Str, GAF, GAS, IA, RAF, RP, UMBY, FPL). Includes sub-totals for % of utility, % of Total (incl all but the Big 6), and % of Total (incl all but the Big 6) for Total Adj PCs.

Table with columns for Workstation Model, FPL Support of the utility (all BU), and various cost categories (PG, ND, Dct, PD, CS, EMT, FLEX, HR, BSC, EAF, GC, IM, Str, GAF, GAS, IA, RAF, RP, UMBY, FPL). Includes sub-totals for % of Total (incl all but the Big 6) and % of Total (incl all but the Big 6) for Total Adj PCs.

Table with columns for FPL Support of the utility (all BU), and various cost categories (PG, ND, Dct, PD, CS, EMT, FLEX, HR, BSC, EAF, GC, IM, Str, GAF, GAS, IA, RAF, RP, UMBY, FPL). Includes sub-totals for % of Total (incl all but the Big 6) and % of Total (incl all but the Big 6) for Total Adj PCs.

**INFORMATION MANAGEMENT**

**MVS MIPS BY BU and % Usage by BU**

Data: (Provided by Robert Chavez & N Orozco in 03/2010) (see e-mail from Robert dated 3/17/10)

BU #	Bus Unit / Group	Mainframe Systems				% of MIPS w/o CS BU or NU BU	Assign OH 50% MIPSC/MIPSG	Assign OH 50% MIPSC/MIPSG	Assign OH 100% MIPS	Total OH CPUTMC by BU	Total MIPS by BU	% of MIPS by BU
		SG01	SPNU ERPD ERPR	SC01	2094.762							
R31000	Nuclear Division BU (excl Sbrk)		390.00							302.00	14.1%	
R33000	Gov Affairs State										0.0%	
R33000	Finance BU	119.00	63.00							182.00	8.5%	
R34000	Corp Svcs BU [(ISC 35.00-1st machine) + (ISC 330-2nd machine) and (	35.00	330.00							365.00	15.5%	
R35000	Gen Counsel BU										0.0%	
R36000	Gov Affairs Federal Marketing & Comm BU										0.0%	
R38000	Int Audit BU										0.0%	
R51000	Customer Service (CIS and Supp. Applications)	353.00	353.00							1,218.00	56.9%	
R53000	Distribution BU	39.40								39.40	1.8%	
R55000	Power Delivery BU	10.60								10.60	0.5%	
R56000	Power Generation BU										0.0%	
R57000	Ext Affairs BU										0.0%	
R57000	Regulatory Affairs										0.0%	
R58000	Information Mgmt BU										0.0%	
R58000	EMT										1.8%	
R58000	Stores Loading (Column M only)										0.0%	
R58000	FiberNet										0.0%	
R58000	NextEra										1.1%	
R58000	NextEra Financial within SAP		24.00							24.00	0.0%	
<b>Total</b>		1,074.00	1,067.00							2,141.00	100.00%	
<b>Total MIPS Power by Machine per PL</b>		<b>1,112.00</b>	<b>1,148.00</b>							<b>34.11</b>		

**Analysis for Functionalized portion of MVS**

Total MIPS		2065	100.00% approximation
PS - Dist	39.40	193	9.35%
PS - Del	10.60		
ISC Stores Loading	34.11		
PS - Fleet			
			365
			34.11
			0%
			3.93% Functionalized %

Allocation Driver # 8 - Server Model

**INFORMATION MANAGEMENT**  
**Workstation Asset Allocation - For 2010 Allocations**

BU Summary	PG	ND	Power Systems			Mfg & % of Total PS Del	CRE & % of Total PS Del	HSC	EAF	GC	IM	Strat	GAF	GAS	IA	RAF	RP	FPL Unkry	FPL		FPLES		Filmsat		NE		NE		NE		Total FPL Unkry		
			DM	PD	CS														COMB	EMT	FN	HR	ISD	ESD	ESD	ESD	ESD	ESD	ESD	ESD		ESD	ESD
Total PCs	1,844	3,347	3,083	1,073	3,235	111	136	485	414	433	82	2,327	112	25	37	86	32	11,471			787	283	848	25	1,581	1,434	178	20	337	358	584	5772	2,145
% of Unkry	10.7%	22.8%	17.2%	6.2%	18.5%	0.8%	1.1%	2.4%	2.0%	2.0%	0.0%	33.4%	0.5%	0.1%	0.0%	0.4%	0.2%	98.70%			0.3%	1.7%	2.1%	1.0%	8.3%	8.2%	3.3%	0.1%	1.7%	1.2%	23.3%	23.3%	100.0%
% of Total (including IM)	8.2%	18.4%	13.3%	4.7%	14.9%	0.8%	1.2%	2.8%	2.4%	2.4%	0.0%	30.9%	0.5%	0.1%	0.0%	0.3%	0.1%	75.3%			0.3%	1.3%	1.6%	1.1%	8.1%	8.0%	3.6%	0.1%	1.3%	1.0%	22.3%	22.3%	100.0%
% of Total (excl off hat the Big 6 A/R)	9.7%	19.8%	14.5%	5.2%	16.8%	0.9%	1.3%	3.0%	2.6%	2.6%	0.0%	34.1%	0.5%	0.1%	0.0%	0.4%	0.2%	76.1%			0.7%	1.4%	1.8%	1.2%	8.6%	8.5%	3.9%	0.1%	2.0%	1.5%	27.4%	26.8%	100.0%

Subsidiary breakout: 2.0% 4.4%

**Server Asset Allocation**  
**Inventory Data (5/30/10) (Fajec)**

BU Summary	PG	ND	Power Systems			Mfg & % of Total PS Del	CRE & % of Total PS Del	HSC	EAF	GC	IM	Strat	GAF	GAS	IA	RAF	RP	FPL Unkry	FPLES		Filmsat		NE		NE		NE		Total Unkry							
			DM	PD	CS														COMB	EMT	FN	HR	ISD	ESD	ESD	ESD	ESD	ESD		ESD	ESD	ESD	ESD	ESD	ESD	ESD
Total	80	105	159	56	94	3	35	23	9	1,441	12							2,130			2	11	163	7	5				115	115	2,258					
% of Unkry	2.8%	8.2%	7.4%	2.8%	3.5%	0.1%	0.7%	1.8%	1.0%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.00%			0.1%	0.5%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	44.7%			
FT - Staff Servers % to be alloc																																				
FT - IM Server % to be alloc																																				
allocation of IM servers																																				
FT - allocation of Staff servers																																				
NEW TELEDOR BOT (NE for IM)																																				

Methodology:  
 1) obtain workstation and server counts  
 2) use the workstation count to distribute the percentage of servers allocated to IM



Allocation Driver # 7 Long Dist min

INFORMATION MANAGEMENT

Long Distance Phone data from Ben Thompson  
 August, Sept. & Oct 2009 data presented in Mar 2010

August 2009

September 2009

October 2009

FPL Utility Summary	BU	August 2009		September 2009		October 2009		Total LD min	Total LD Calls	Adjust. For node min & other in IM loc	Total Adjusted Min	% Usage - BY BU
		LD Min	LD Calls	LD Min	LD Calls	LD Min	LD Calls					
Mktg & Comm	SDN Dir Assis/foc 99	4,301	4,333	5,631	14,515	14,515	0.8%					
Cust Svc	SDN Dir Assis/foc 99	102,884	89,060	94,212	286,156	286,156	15.5%					
Dist	SDN Dir Assis/foc 99	88,897	84,026	87,556	258,509	258,509	14.1%					
EMT	SDN Dir Assis/foc 99	2,345	2,695	2,912	7,952	7,952	0.4%					
Gen Counsel	SDN Dir Assis/foc 99	10,619	10,215	12,101	32,935	32,935	1.8%					
Finance	SDN Dir Assis/foc 99	19,137	18,717	18,655	54,509	54,509	3.0%					
Govt Aff Fed	SDN Dir Assis/foc 99	146	137	253	537	537	0.0%					
Govt Aff State	SDN Dir Assis/foc 99	-	-	-	-	-	0.0%					
HR (incl CRE)	SDN Dir Assis/foc 99	30,466	42,331	44,613	126,300	126,300	6.9%					
ISC (Corp Svc)	SDN Dir Assis/foc 99	-	-	-	-	-	0.0%					
Ext Affairs	SDN Dir Assis/foc 99	1,669	1,606	1,799	5,062	5,062	0.3%					
IM	SDN Dir Assis/foc 99	699,223	659,357	750,717	2,116,306	782,563	42.8%					
Internal Audit	SDN Dir Assis/foc 99	2,322	2,357	3,240	7,919	7,919	0.4%					
Nud Div	SDN Dir Assis/foc 99	23,316	23,910	19,894	67,182	67,182	3.7%					
PS - PD (Trans)	SDN Dir Assis/foc 99	18,265	18,240	15,900	52,405	52,405	2.9%					
PG	SDN Dir Assis/foc 99	36,511	47,312	32,514	116,036	116,036	6.3%					
RAF	SDN Dir Assis/foc 99	3,722	4,333	6,280	13,335	13,335	0.7%					
Res Planning	SDN Dir Assis/foc 99	1,516	1,700	2,182	5,429	5,429	0.3%					
Total FPL Utility		1,048,412	1,018,287	1,097,388	3,164,006	1,831,443	100.0%					
FPL Grp	SDN Dir Assis/foc 99	101,566	101,853	99,661	303,300	303,300						

Total HR - ISC employees: 209  
 Total ISC Stores empl: 193  
 % of Stores employees: 92.8%  
 LD min alloc to Stores: 8.4%



Allocation Driver # 11 - DBA Model

XA/XB/XC/XD No AMF

Name	BA	Total	Account	Customer	Marketing	HR	Finance	SAP	POD	Dist	Trans	Medical	Pharmaceutical	BI	Total
Nelson C.	12370	1	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.1	0.1	0.1	0.1	0.1	1
Sammy F.	12370	1	0.1	0.3	0.3	0.3	0.3	0.3	0.3	0.1	0.1	0.1	0.1	0.1	1
Joe G.	12370	1	0.5	0.5	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	1
Liz D.	12370	1	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	1
Joe H.	12370	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Juan B.	12370	1	0.8	0.8	0.8	0.8	0.8	0.8	0.2	0.2	0.2	0.2	0.2	1	1
Les F.	12370	1	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.7	1
Xiom E.	12370	1	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.7	1
Tracey G.	12370	1	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	1
Juan Q.	12370	0.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	1
Vanida G.	12370	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.75
Bill G.	12370	1	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Vivian P.	12370	1	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	1
Rick V.	12370	1	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	1
Kumar P.	12370	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Lynne S.	12370	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Totals		13.5	1.35	4.95	0	0.55	1.8	0.5	0.5	0.1	0.1	0.1	0.1	0.1	13.5
Percent		100%	10.0%	36.7%	0.0%	4.1%	11.9%	3.7%	3.7%	0.7%	0.7%	0.7%	0.7%	0.7%	100.0%
Corp BU Adj Percentage			19.3%	76.7%				7.1%	7.1%	1.4%	1.4%	1.4%	1.4%	1.4%	100.0%

Staff % 13.5  
Corp BU % 44.1%  
XC 51.5%

Name	BA	Total	Account	Customer	Marketing	HR	Finance	SAP	POD	Dist	Trans	Medical	Pharmaceutical	BI	Total
Jim G.	1801	1	0	0	0	0	0	0	0	0	0	0	0	0	1
Bill G.	1801	0.5	0	0	0	0	0	0	0	0.4	0.1	0	0	0	0.5
Kaushik P.	1801	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paul T.	1801	0.25	0	0	0	0	0	0	0.25	0.25	0	0	0	0	0.25
Patrick D.	1801	1	0	0	0	0	0	0	0	0	0	0	0	0	1
Venkata G.	1801	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Kumar	1801	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Gary C.	1801	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Totals		3.8	0	0	0	0	0	0	0	3.2	0.8	0	0	0	3.8
Percent		100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	84.2%	15.8%	0.0%	0.0%	0.0%	100.0%
Corp BU Adj Percentage															100.0%

Staff % 3.8  
Corp BU % 0.0%  
XD 100.0%

Name	BA	Total	Account	Customer	Marketing	HR	Finance	SAP	POD	Dist	Trans	Medical	Pharmaceutical	BI	Total
Lisele C.	1802	1	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	1
Cherene S.	1802	1	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	1
Vikas L.	1802	1	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	1
Jimmy C.	1802	1	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	1
David D.	1802	1	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	1
Wille N.	1802	1	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	1
Buchan G.	1802	1	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.34	0.34	0.34	0.34	0.34	1
Totals		7	1.73	0.99	0	1	1	0	0	0.54	0	0	0	0	7
Percent		100%	24.7%	14.1%	0.0%	14.3%	14.3%	0.0%	0.0%	7.7%	0.0%	0.0%	0.0%	0.0%	100%
Corp BU Adj Percentage			53.1%	30.4%						16.6%	0.0%	0.0%	0.0%	0.0%	100.0%

Staff % 7  
Corp BU % 53.4%  
XB 46.6%

Name	BA	Total	Account	Customer	Marketing	HR	Finance	SAP	POD	Dist	Trans	Medical	Pharmaceutical	BI	Total
Alan D.	1803	1	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1
Chen W.	1803	1	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	1
Juan U.	1803	1	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1
Alfred N.	1803	1	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1
Bill R.	1803	1	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1
Karen M.	1803	1	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	1
Liz P.	1803	1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1
Pinky J.	1803	1	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	1
Ernesto O.	1803	1	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	1
Totals		9	2.4	0.4	0	0	0	0	0	2.8	0	0	0	0	9
Percent		100%	26.7%	4.4%	0.0%	0.0%	0.0%	0.0%	0.0%	31.1%	0.0%	0.0%	0.0%	0.0%	100.0%
Corp BU Adj Percentage			42.2%	7.1%						50.0%	0.0%	0.0%	0.0%	0.0%	100.0%

Staff % 9  
Corp BU % 37.8%  
XA 62.2%

Count of User Name		Total
Company Name	Personnel Subarea Text	
Florida Power & Light Co	Corp Real Est	31
	Cust Serv BU	19
	Cust Serv NB	327
	Distrib BC	7
	Distrib BNC	55
	Distrib NB	526
	Energy Mktg	30
	Eng & Constr	18
	Executive	26
	Ext Affairs	19
	Financial	78
	FPL Finance	65
	General Counsel	55
	Gov Affairs Fed	2
	Gov Affairs Sta	3
	Human Res NB	140
	Info Mgmt BU	1
	Info Mgmt NB	296
	Internal Audit	30
	Mktg & Comm	21
Nuclear BU	32	
Nuclear NB	377	
PGD Bus Serv	11	
PGD Cen Mnt BU	50	
PGD Cen Mnt NB	55	
PGD Executive	4	
PGD FPL Opns BU	527	
PGD FPL Opns NB	143	
PGD Prod Assur	16	
PGD Tech Svcs	45	
Project Develop	30	
Reg Affairs	22	
Res Planning	11	
Strat/Bus Imprv	34	
Supply Chain NB	269	
Trans Subst BC	9	

Corp 31  
Cust 346  
Distribution 588  
EMT 30  
Other

Florida Power & Light Company		
Corp Real Est		31
Cust Serv BU		19
Cust Serv NB		327
Distrib BC		7
Distrib BNC		55
Distrib NB		526
Energy Mktg		30
Eng & Constr		18
Executive		26
Ext Affairs		19
Financial		78
FPL Finance		65
General Counsel		55
Gov Affairs Fed		2
Gov Affairs Sta		3
Human Res NB		140
Info Mgmt BU		1
Info Mgmt NB		296
Internal Audit		30
Mktg & Comm		21
Nuclear BU		32
Nuclear NB		377
PGD Bus Serv		11
PGD Cen Mnt BU		50
PGD Cen Mnt NB		55
PGD Executive		4
PGD FPL Opns BU		527
PGD FPL Opns NB		143
PGD Prod Assur		16
PGD Tech Svcs		45
Project Develop		30
Reg Affairs		22
Res Planning		11
Strat/Bus Imprv		34
Supply Chain NB		269
Trans Subst BC		9

Florida Power & Light Co	Trans Subst BNC	19
	Trans Subst NB	186
Florida Power & Light Company Total		
FPL Energy Services, Inc	Info Mgmt NB	1
	Project Develop	27
FPL Energy Services, Inc Total		
FPL FiberNet, LLC	Controller	14
	Executive	3
	Finance	1
	Marketing	30
	Operations	102
	Supply Chain NB	2
FPL FiberNet, LLC Total		
FPL Group Resources, LLC	Executive	2
	Trans Subst NB	1
FPL Group Resources, LLC Total		
FPL Group, Inc	Executive	18
FPL Group, Inc Total		
Gexa Energy LP	Cust Serv NB	10
	Human Resources	1
	NextEra Finance	10
	NextEra MIS	6
	Operations	11
	Risk Management	5
	Sales	7
Gexa Energy LP Total		
NextEra Duane Arnold	Business Mgt NB	76
	Engineering	31
	Human Resources	4
	Mrkting & Comm	1
	Nuclear StfSvNB	3
	Nuclir Oversight	6
	Supply Chain NB	10
NextEra Duane Arnold Total		
NextEra Energy Resources, LLC	Business Mgmt	60
	Corp Develop	1
	Development	71
	Eng & Constr	40
	Environ Support	4
	Executive	4

	Trans Subst BNC	19
	Trans Subst NB	186
Florida Power & Light Company Total		
FPL Energy Services, Inc	Info Mgmt NB	1
	Project Develop	27
FPL Energy Services, Inc Total		
FPL FiberNet, LLC	Controller	14
	Executive	3
	Finance	1
	Marketing	30
	Operations	102
	Supply Chain NB	2
FPL FiberNet, LLC Total		
FPL Group Resources, LLC	Executive	2
	Trans Subst NB	1
FPL Group Resources, LLC Total		
FPL Group, Inc	Executive	18
FPL Group, Inc Total		
Gexa Energy LP	Cust Serv NB	10
	Human Resources	1
	NextEra Finance	10
	NextEra MIS	6
	Operations	11
	Risk Management	5
	Sales	7
Gexa Energy LP Total		
NextEra Duane Arnold	Business Mgt NB	76
	Engineering	31
	Human Resources	4
	Mrkting & Comm	1
	Nuclear StfSvNB	3
	Nuclir Oversight	6
	Supply Chain NB	10
NextEra Duane Arnold Total		
NextEra Energy Resources, LLC	Business Mgmt	60
	Corp Develop	1
	Development	71
	Eng & Constr	40
	Environ Support	4
	Executive	4

NextEra Energy Resources	General Counsel	29
	Human Resources	16
	Mktg & Comm	1
	NextEra Finance	128
	NextEra MIS	24
	PGD Bus Serv	12
	PGD Cen Mnt NB	4
	PGD Executive	4
	PGD Prod Assur	12
	PGD Tech Svcs	6
	PGD Wind Opns	4
	Supply Chain NB	23
	Trans Subst NB	4
	<b>NextEra Energy Resources, LLC Total</b>	<b>447</b>
NextEra Energy Seabrook	Business Mgt NB	100
	Engineering	23
	Human Resources	5
	Mktg & Comm	2
	Nuclear NB	1
	Nuclear StfsvNB	10
	Nuclir Oversight	6
	Supply Chain NB	8
	Trans Subst NB	1
	<b>NextEra Energy Seabrook, LLC Total</b>	<b>156</b>
NextEra Maine Op Svcs	Business Mgmt	1
	PGD T&H Opns BU	84
	PGD T&H Opns NB	30
	PGD Tech Svcs	9
	Supply Chain NB	1
	<b>NextEra Maine Op Svcs Total</b>	<b>125</b>
NextEra N Mex Op Svcs	PGD Wind Opns	14
	<b>NextEra N Mex Op Svcs Total</b>	<b>14</b>
NextEra Operating Svcs	PGD T&H Opn BBU	15
	PGD T&H Opns NB	364
	PGD Wind Opns	493
	Supply Chain NB	17
	Trans Subst NB	22
	<b>NextEra Operating Svcs Total</b>	<b>911</b>
NextEra Point Beach	Business Mgmt	102
	Engineering	10

NextEra Energy Resources, LLC Total		447
NextEra Energy Seabrook, LLC	Business Mgt NB	100
	Engineering	23
	Human Resources	5
	Mktg & Comm	2
	Nuclear NB	1
	Nuclear StfsvNB	10
	Nuclir Oversight	6
	Supply Chain NB	8
	Trans Subst NB	1
	<b>NextEra Energy Seabrook, LLC Total</b>	<b>156</b>
NextEra Maine Op Svcs	Business Mgmt	1
	PGD T&H Opns BU	84
	PGD T&H Opns NB	30
	PGD Tech Svcs	9
	Supply Chain NB	1
	<b>NextEra Maine Op Svcs Total</b>	<b>125</b>
NextEra N Mex Op Svcs	PGD Wind Opns	14
	<b>NextEra N Mex Op Svcs Total</b>	<b>14</b>
NextEra Operating Svcs	PGD T&H Opn BBU	15
	PGD T&H Opns NB	364
	PGD Wind Opns	493
	Supply Chain NB	17
	Trans Subst NB	22
	<b>NextEra Operating Svcs Total</b>	<b>911</b>
NextEra Point Beach	Business Mgmt	102
	Engineering	10

NextEra Point Beach	Human Resources	7
	IBEW 2150	8
	IBEW 2150 PSQ	2
	IBEW 2150 PU	6
	IBEW 2150 TRN	2
	Nuclear NB	1
	Nucir Oversight	3
	SupChn BU2150PU	1
	Supply Chain NB	5
NextEra Point Beach Total		147
NextEra Power Mktg	Gas Trading	13
	General Counsel	12
	NextEra Finance	28
	PMI Trading	38
	Retail Markets	6
	Risk Management	18
NextEra Power Mktg Total		115
NextEra Project Mgmt	Business Mgmt	10
	Development	8
	Environ Support	2
	General Counsel	4
	Human Resources	8
	Info Mgmt NB	5
	Market Services	3
	Nuclear NB	12
	PGD Cen Mnt NB	35
	PGD Prod Assur	5
	PGD T&H Opns NB	17
	PGD Tech Svcs	8
	PGD Wind Opns	8
	Spain Solar	2
NextEra Project Mgmt Total		127
WindLogics Inc	Development	12
WindLogics Inc Total		12
#N/A	#N/A	93
#N/A Total		93
{blank}	{blank}	
{blank} Total		
Grand Total		6118

Human Resources	7	
IBEW 2150	8	
IBEW 2150 PSQ	2	
IBEW 2150 PU	6	
IBEW 2150 TRN	2	
Nuclear NB	1	
Nucir Oversight	3	
SupChn BU2150PU	1	
Supply Chain NB	5	
NextEra Point Beach Total	147	
NextEra Power Mktg	Gas Trading	13
	General Counsel	12
	NextEra Finance	28
	PMI Trading	38
	Retail Markets	6
	Risk Management	18
NextEra Power Mktg Total		115
NextEra Project Mgmt	Business Mgmt	10
	Development	8
	Environ Support	2
	General Counsel	4
	Human Resources	8
	Info Mgmt NB	5
	Market Services	3
	Nuclear NB	12
	PGD Cen Mnt NB	35
	PGD Prod Assur	5
	PGD T&H Opns NB	17
	PGD Tech Svcs	8
	PGD Wind Opns	8
	Spain Solar	2
NextEra Project Mgmt Total		127
WindLogics Inc	Development	12
WindLogics Inc Total		12
#N/A	#N/A	93
#N/A Total		93
{blank}	{blank}	
{blank} Total		
Grand Total		6118

Cust	346	5.7%
Distribution	588	9.6%
Transmissio	214	3.5%
Nuclear	409	6.7%
PGD	881	14.4%
Corp	31	0.5%
EMT	30	0.5%
Other	821	13.4%
ISC	269	4.4%
	<u>3589</u>	<u>58.7%</u>
Next Era	2328	38.1%
Fibernet	152	2.5%
FPLEs	28	0.5%
Group/Othe	21	0.3%
	<u>2529</u>	<u>41.3%</u>
Total	6118	100.0%



CBU's	FTE's			NextEra			FPL			NextEra			FPL			NextEra			
	Utility	Direct	Indirect	Utility	Direct	Indirect	Utility	Direct	Indirect	Utility	Direct	Indirect	Utility	Direct	Indirect	Utility	Direct	Indirect	
Aviation	0.30	0.15	0.00	0.15	0.30	0.15	0.15	0.10	0.05	0.15	0.10	0.05	0.15	0.10	0.05	0.15	0.10	0.05	
Corporate Compliance	0.15	0.10	0.00	0.05	0.45	0.25	0.00	0.20	0.05	0.40	0.20	0.05	0.40	0.20	0.05	0.40	0.20	0.05	
Corporate Security	0.45	0.25	0.00	0.20	0.10	0.05	0.00	0.05	0.10	0.10	0.05	0.05	0.10	0.05	0.05	0.10	0.05	0.05	
Emergency Planning	0.10	0.05	0.00	0.05	0.15	0.10	0.05	0.00	0.05	0.10	0.10	0.05	0.10	0.10	0.05	0.10	0.10	0.05	
Environmental Svcs	0.15	0.10	0.05	0.00	0.20	0.10	0.00	0.00	0.10	0.10	0.10	0.00	0.10	0.10	0.00	0.10	0.10	0.00	
External Affairs	0.10	0.10	0.00	0.00	0.20	0.10	0.00	0.10	0.10	0.10	0.10	0.00	0.10	0.10	0.00	0.10	0.10	0.00	
Governmental Affairs	0.20	0.10	0.00	0.10	0.30	0.20	0.00	0.10	0.10	0.10	0.10	0.00	0.10	0.10	0.00	0.10	0.10	0.00	
Internal Audit	0.70	0.40	0.00	0.30	0.30	0.20	0.00	0.10	0.10	0.10	0.10	0.05	0.05	0.05	0.05	0.10	0.10	0.10	
Marketing & Comm.	0.30	0.10	0.05	0.15	0.20	0.10	0.00	0.05	0.05	0.20	0.20	0.05	0.20	0.20	0.05	0.20	0.20	0.05	
Operations Excellence	0.10	0.05	0.00	0.05	0.20	0.20	0.00	0.05	0.05	0.20	0.20	0.05	0.20	0.20	0.05	0.20	0.20	0.05	
Regulatory Affairs	0.45	0.45	0.00	0.00	0.05	0.05	0.00	0.00	0.05	0.05	0.05	0.00	0.05	0.05	0.00	0.05	0.05	0.00	
RAP	0.05	0.05	0.00	0.00	0.10	0.10	0.00	0.00	0.00	0.10	0.10	0.00	0.10	0.10	0.00	0.10	0.10	0.00	
Risk Management	0.10	0.10	0.00	0.00	0.40	0.40	0.00	0.20	0.20	0.40	0.20	0.20	0.40	0.20	0.20	0.40	0.20	0.20	
GC: Legal	1.30	0.65	0.65	0.00	0.40	0.40	0.00	0.20	0.20	0.40	0.20	0.20	0.40	0.20	0.20	0.40	0.20	0.20	
GC: Claims	0.60	0.60	0.00	0.00	0.20	0.20	0.00	0.10	0.10	0.20	0.10	0.10	0.20	0.10	0.10	0.20	0.10	0.10	
GC: Corp Records/Proc	0.20	0.10	0.00	0.10	0.20	0.20	0.00	0.10	0.10	0.20	0.10	0.10	0.20	0.10	0.10	0.20	0.10	0.10	
Finance	0.50	0.50	0.00	0.00	0.20	0.20	0.00	0.00	0.00	0.20	0.20	0.00	0.20	0.20	0.00	0.20	0.20	0.00	
IT	0.25	0.25	0.00	0.00	2.00	0.75	0.00	0.25	0.25	2.00	0.75	0.00	2.00	0.75	0.00	2.00	0.75	0.00	
<b>Total CBU Support:</b>	<b>27.00</b>	<b>4.10</b>	<b>0.75</b>	<b>1.15</b>	<b>4.10</b>	<b>2.00</b>	<b>0.75</b>	<b>0.25</b>	<b>0.25</b>	<b>4.10</b>	<b>2.00</b>	<b>0.75</b>	<b>4.10</b>	<b>2.00</b>	<b>0.75</b>	<b>4.10</b>	<b>2.00</b>	<b>0.75</b>	
FTE's for FPL Utility:																			
FTE's for NextEra Direct:																			
FTE's for NextEra Indirect:																			
<b>Total FTE's for NextEra Support:</b>	<b>1.90</b>	<b>1.15</b>	<b>0.75</b>	<b>1.15</b>	<b>1.90</b>	<b>1.15</b>	<b>0.75</b>	<b>1.15</b>	<b>1.15</b>	<b>1.90</b>	<b>1.15</b>	<b>0.75</b>	<b>1.90</b>	<b>1.15</b>	<b>0.75</b>	<b>1.90</b>	<b>1.15</b>	<b>0.75</b>	<b>1.15</b>
<b>Total CBU Support:</b>	<b>5.00</b>	<b>4.10</b>	<b>0.75</b>	<b>1.15</b>	<b>5.00</b>	<b>2.00</b>	<b>0.75</b>	<b>0.25</b>	<b>0.25</b>	<b>5.00</b>	<b>2.00</b>	<b>0.75</b>	<b>5.00</b>	<b>2.00</b>	<b>0.75</b>	<b>5.00</b>	<b>2.00</b>	<b>0.75</b>	<b>1.15</b>

PGD	FPL			NextEra		
	Utility	Direct	Indirect	Utility	Direct	Indirect
Fibernet	1.00	0.24	0.20	0.35	0.21	0.21

PGD	FPL			NextEra		
	Utility	Direct	Indirect	Utility	Direct	Indirect
Total PGD Support:	1.00	0.30	0.50	0.20	0.20	0.20

PGD	FPL			NextEra		
	Utility	Direct	Indirect	Utility	Direct	Indirect
Total PGD Support:	1.00	0.30	0.50	0.20	0.20	0.20

PGD	FPL			NextEra		
	Utility	Direct	Indirect	Utility	Direct	Indirect
Total PGD Support:	1.00	0.30	0.50	0.20	0.20	0.20

PGD	FPL			NextEra		
	Utility	Direct	Indirect	Utility	Direct	Indirect
Total PGD Support:	1.00	0.30	0.50	0.20	0.20	0.20

PGD	FPL			NextEra		
	Utility	Direct	Indirect	Utility	Direct	Indirect
Total PGD Support:	1.00	0.30	0.50	0.20	0.20	0.20

Direct: Support NextEra employees within the BU (e.g., Legal has NextEra employees that we support)  
 Indirect: Support for the BU, who in turn supports NextEra (e.g., Aviation provides services for NextEra employees, and we support Aviation)

197057  
197057  
0

470020  
470020  
0

	L1 Breakdown										BURRS										L3 Total		L2 Total	
	Clearing					AMF					BURRS					EQUIS Total					TOTAL	TOTAL		
X2	8.4%	1.8%	0.7%	24.02%	0.04%	0.04%	0.7%	7.2%	17.6%	5.2%	2.9%	11.2%	97.4%	28.5%	2.1%	100.0%	100.0%							
X4	1.2%	0.2%	1.8%	1.3%			0.9%	0.0%	0.6%	0.4%	0.4%	65.0%	103.30%	98.8%	2.1%	100.0%	100.0%							
XF	7.9%	2.2%	0.9%	6.6%			0.9%	8.9%	21.7%	6.4%	3.6%	14.4%	97.4%	98.4%	2.1%	100.0%	100.0%							
X51	11.1%	3.0%	1.1%	16.2%			0.9%	5.7%	14.1%	8.8%	5.1%	11.7%	97.4%	92.7%	2.1%	100.0%	100.0%							
Y2				24.02%	0.04%	0.04%	0.7%	7.2%	17.6%	11.6%	4.7%	13.8%	103.30%	100.0%		100.0%	100.0%							
Y7				6.6%			0.9%	8.8%	21.7%	14.3%	5.8%	17.0%	103.30%	100.0%		100.0%	100.0%							
Y8				1.3%			0.9%	0.0%	0.6%	2.1%	0.6%	65.0%	103.30%	100.0%		100.0%	100.0%							
YB	6.7%	0.0%	0.0%	4.8%			0.0%	0.0%	28.0%	5.3%	6.0%	65.0%	83.4%	70.7%	61.4%	100.0%	100.0%							
YC	0.4%	0.2%	0.9%	0.0%			3.2%	15.2%	0.2%	0.4%	29.3%	97.4%	95.0%	2.1%	100.0%	100.0%								

X2 Actual number of workstations per business unit (includes Subsidaries) (WIS Model);  
X4 Actual number of maintenance M/S CPU hours by business unit;  
XF Actual number of workstations per business unit (includes Subsidaries in FPL only sec.  
XF Asked for share ownership information - IM present allocated out by total workstation c.  
Y2 Actual number of workstations per business unit (includes Subsidaries) (WIS Model);  
Y7 Actual number of workstations per business unit (includes Subsidaries) (WIS Model);  
Y8 Actual number of maintenance M/S CPU hours by business unit;  
YB % of the DSA hours spent by BU for R/D & Support  
YC % of the DSA hours spent by BU for Technical Support



**INFORMATION MANAGEMENT**

MVS MIPS BY BU and % Usage by BU

Data: (Provided by Robert Chavez & N Orozco in 03/2010) (see e-mail from Robert dated 3/17/10)

BU #	Bus Unit / Group	Mainframe Systems			SPNU ERP ERPR	% of MIPS w/o CS BU or NU BU	Assign OH 50% MIPSC/MIPSG	Assign OH 50% MIPSC/MIPSG	Assign OH 100% MIPSN	Total OH CPUTMC by BU	Total MIPS by BU	% of MIPS by BU
		SG01 SC01	SPNU ERP ERPR	ERPD ERPR								
R31000	Nuclear Division BU (excl Sbrk)	2.00	10.00							12.00	0.6%	
R33000	Gov Affairs State										0.0%	
R33000	Finance BU	119.00	63.00							182.00	9.8%	
R34000	Corp Svcs BU ((ISC 35.00-1st machine) + (ISC 330-2nd machine) and (	35.00	330.00							365.00	18.0%	
R35000	Gen Counsel BU										0.0%	
R35000	Gov Affairs Federal										0.0%	
R35000	Marketing & Comm BU										0.0%	
R38000	Int Audit BU										0.0%	
R51000	Customer Service (CIS and Supp. Applications)	868.00	350.00							1,218.00	65.8%	
R53000	Distribution BU	39.40								39.40	2.1%	
R55000	Power Delivery BU	10.60								10.60	0.6%	
R56000	Power Generation BU										0.0%	
R57000	Ext Affairs BU										0.0%	
R58000	Regulatory Affairs										0.0%	
R58000	Information Mgmt BU										0.0%	
R58000	EMT										0.0%	
R58000	Stores Loading (Column M only)										0.0%	
R58000	FiberNet										0.0%	
R58000	NextEra										0.0%	
	<b>Total</b>	<b>1,074.00</b>	<b>777.00</b>	<b>2.40</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1,851.0</b>	<b>100.00%</b>	
	<b>Total MIPS Power by Machine per PL</b>	<b>1,112.00</b>	<b>1,140.00</b>	<b>1,851</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>1,863.70</b>	<b>100%</b>	

**Analysis for Functionalized portion of MVS**

Total MIPS	39,40	2.1%
PS - Dist	10,60	0.6%
PS - Del	32,70	1.8%
ISC Stores Loading		0%
PS - Fleet		4.47% Functionalized %
Total SAP ISC users	2065	100.00% approximation
ISC Inventory Serv	185	8.96%
MIPS allocated to SAP - ISC	365	
Portion of MIPS for Stores	32,70	

INFORMATION MANAGEMENT

Workstation Asset Allocation - For 2010 Allocations

EU Summary

PS	ND	4,378	2,897	1,178	3,444	121	186	471	397	435	28	98	77	28	18,450	FPLES				ModEri				Total FPL				
																En Svcs	Flamed	ModEri	ModEri	ModEri	ModEri	ModEri	ModEri		ModEri	ModEri	ModEri	ModEri
9.0%	21.0%	15.0%	0.4%	18.0%	0.7%	1.0%	2.0%	2.0%	0.2%	0.2%	0.2%	0.2%	0.4%	0.4%	98.00%	0.7%	1.2%	3.7%	0.9%	0.9%	0.9%	1.7%	1.7%	2.1%	28.0%	160.0%		
7.2%	17.8%	13.0%	0.3%	15.0%	0.6%	0.8%	1.5%	1.5%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%	70.0%	0.8%	1.3%	4.2%	1.1%	1.1%	1.1%	2.0%	2.0%	2.5%	25.0%	100.0%		
15.0%	35.0%	25.0%	0.7%	30.0%	1.0%	1.5%	3.0%	3.0%	0.5%	0.5%	0.5%	0.5%	0.7%	0.7%	100.0%	0.9%	1.4%	4.5%	1.5%	1.5%	1.5%	2.8%	2.8%	3.4%	34.0%	130.0%		
8.0%	21.0%	14.0%	0.5%	18.0%	0.6%	0.9%	1.8%	1.8%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	84.0%	0.9%	1.4%	4.5%	1.5%	1.5%	1.5%	2.8%	2.8%	3.4%	34.0%	130.0%		
Subsidiary breakout																2.7%				4.5%				92.7%				100.0%

Server Asset Allocation

Inventory Data 6/5/2010 (F#yes)

EU Summary

PS	ND	37	81	128	32	91	1	39	23	24	4	1,862	11	4	2,189	FPLES				ModEri				Total FPL				
																En Svcs	Flamed	ModEri	ModEri	ModEri	ModEri	ModEri	ModEri		ModEri	ModEri	ModEri	ModEri
1.7%	4.2%	6.5%	2.6%	4.2%	0.2%	0.6%	1.8%	1.0%	1.1%	0.7%	0.2%	76.0%	0.0%	0.0%	0.0%	0.0%	1.5%	11.6%	0.0%	1.0%	0.5%	0.6%	0.0%	0.0%	15.1%	15.2%		
7.2%	17.8%	13.0%	0.3%	15.0%	0.6%	0.8%	1.5%	1.5%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%	70.0%	0.8%	1.3%	4.2%	1.1%	1.1%	1.1%	2.0%	2.0%	2.5%	25.0%	100.0%		
15.0%	35.0%	25.0%	0.7%	30.0%	1.0%	1.5%	3.0%	3.0%	0.5%	0.5%	0.5%	0.5%	0.7%	0.7%	100.0%	0.9%	1.4%	4.5%	1.5%	1.5%	1.5%	2.8%	2.8%	3.4%	34.0%	130.0%		
8.0%	21.0%	14.0%	0.5%	18.0%	0.6%	0.9%	1.8%	1.8%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	84.0%	0.9%	1.4%	4.5%	1.5%	1.5%	1.5%	2.8%	2.8%	3.4%	34.0%	130.0%		
Subsidiary breakout																0.0%				1.5%				11.6%				15.2%

Methodology

- 1) obtain workstation and server counts
- 2) use the workstation count to distribute the percentage of servers allocated to IM

Allocation Driver # 7 Long Dist min

INFORMATION MANAGEMENT

Long Distance Phone data from Ben Thompson  
 August, Sept. & Oct. 2009 data - received in Mar. 2010  
 August, 2009

FPL Utility Summary	BU	August 2009		September 2009		October 2009		Total LD min	Total LD Calls	Adjust. For node min & other in IM loc	Total Adjusted Min	% usage by BU
		LD	LD Min	LD	LD Min	LD	LD Min					
Mktg & Comm	SDN Dir Assist/foc 99	4,301	4,303			5,631	14,515				14,515	0.8%
Cust Svc	SDN Dir Assist/foc 99	192,864	89,960			94,212	286,156				286,156	15.6%
Dist	SDN Dir Assist/foc 99	86,897	84,026			87,586	258,509				258,509	14.1%
EMT	SDN Dir Assist/foc 99	2,345	2,695			2,912	7,952				7,952	0.4%
Gen Counsel	SDN Dir Assist/foc 99	10,619	10,215			12,101	32,935				32,935	1.8%
Finance	SDN Dir Assist/foc 99	19,137	16,717			18,555	54,509				54,509	3.0%
Govt Aff Fed	SDN Dir Assist/foc 99	148	137			253	537				537	0.0%
Govt Aff State	SDN Dir Assist/foc 99											0.0%
HR (incl CRE)	SDN Dir Assist/foc 99	39,456	42,331			44,513	126,300				126,300	6.9%
ISC (Corp Svc)	SDN Dir Assist/foc 99											0.0%
Ext Affairs	SDN Dir Assist/foc 99	1,658	1,606			1,799	5,062				5,062	0.3%
IM	SDN Dir Assist/foc 99	695,223	669,367			750,717	2,115,306	(1,332,643)			782,663	42.8%
Internal Audit	SDN Dir Assist/foc 99	2,322	2,357			3,240	7,919				7,919	0.4%
Nucl Div	SDN Dir Assist/foc 99	23,378	23,910			19,894	67,182				67,182	3.7%
PS - PD (Trans)	SDN Dir Assist/foc 99	18,265	18,248			15,900	52,405				52,405	2.9%
PG	SDN Dir Assist/foc 99	36,511	47,012			32,514	116,036				116,036	6.3%
RAF	SDN Dir Assist/foc 99	3,722	4,333			5,280	13,335				13,335	0.7%
Res Planning	SDN Dir Assist/foc 99	1,548	1,700			2,182	5,429				5,429	0.3%
<b>Total FPL Utility</b>		<b>1,048,412</b>	<b>1,016,287</b>			<b>1,097,368</b>	<b>3,164,066</b>	<b>(1,332,643)</b>			<b>1,831,443</b>	<b>100.0%</b>
FPL Grp	SDN Dir Assist	101,566	101,853			99,881	303,300				303,300	

total HR / ISC employees: 209  
 total ISC Stores empl: 185  
 % of Stores employees: 88.5%  
 LD min alloc to Stores: 6.1%







Note: Per validation of SAP team the 2011 user based model is still applicable in 2012, with the exception of the NextEra AMF that was further broken down to allocate a small percent to LoneStar and UST.

Company Name	Personnel Subarea Text	Total	Corp	Cust	Distribution	EMT	Other	Corp Real Est	Trans Subst NB	ISC	Next Era	FiberNet	FPLEs	Group/Othe	Total
Florida Power & Light Company	Corp Real Est	31	31					Corp Real Est							
	Cust Serv BU	19		346				Cust Serv BU							
	Cust Serv NB	327						Cust Serv NB							
	Distrib BC	7						Distrib BC							
	Distrib BNC	55			588			Distrib BNC							
	Distrib NB	526						Distrib NB							
	Energy Mktg	30						Energy Mktg							
	Eng & Constr	18				30		Eng & Constr							
	Executive	26						Executive							
	Ext Affairs	19						Ext Affairs							
	Financial	78						Financial							
	FPL Finance	65						FPL Finance							
	General Counsel	55						General Counsel							
	Gov Affairs Fed	2						Gov Affairs Fed							
	Gov Affairs Sta	3						Gov Affairs Sta							
	Human Res NB	140						Human Res NB							
	Info Mgmt BU	1						Info Mgmt BU							
	Info Mgmt NB	296						Info Mgmt NB							
	Internal Audit	30						Internal Audit							
	Mktg & Comm	21						Mktg & Comm							
Nuclear BU	32						Nuclear BU								
Nuclear NB	377						Nuclear NB								
PGD Bus Serv	11						PGD Bus Serv								
PGD Cen Mint BU	50						PGD Cen Mint BU								
PGD Cen Mint NB	55						PGD Cen Mint NB								
PGD Executive	4						PGD Executive								
PGD FPL Opns BU	527						PGD FPL Opns BU								
PGD FPL Opns NB	143						PGD FPL Opns NB								
PGD Prod Assur	16						PGD Prod Assur								
PGD Tech Svcs	45						PGD Tech Svcs								
Project Develop	30						Project Develop								
Reg Affairs	22						Reg Affairs								
Res Planning	11						Res Planning								
Strat/Bus Imprv	34						Strat/Bus Imprv								
Supply Chain NB	269						Supply Chain NB								
Trans Subst BC	9						Trans Subst BC								
Trans Subst BNC	19						Trans Subst BNC								
Trans Subst NB	186						Trans Subst NB								
<b>Florida Power &amp; Light Company Total</b>		<b>3589</b>						<b>Florida Power &amp; Light Company Total</b>							<b>3589</b>
FPL Energy Services, Inc	Info Mgmt NB	1						Info Mgmt NB							
	Project Develop	27						Project Develop							
<b>FPL Energy Services, Inc Total</b>		<b>28</b>						<b>FPL Energy Services, Inc Total</b>							<b>28</b>
FPL FiberNet, LLC	Controller	14						Controller							
	Executive	3						Executive							
	Finance	1						Finance							
	Marketing	30						Marketing							
	Operations	102						Operations							
<b>FPL FiberNet, LLC Total</b>		<b>152</b>					<b>FPL FiberNet, LLC Total</b>								<b>152</b>
FPL Group Resources, LLC	Executive	2						Executive							
	Trans Subst NB	1						Trans Subst NB							
<b>FPL Group Resources, LLC Total</b>		<b>3</b>					<b>FPL Group Resources, LLC Total</b>								<b>3</b>

FPL Group Resources, LLC Total	3
FPL Group, Inc	18
FPL Group, Inc Total	18
Gexa Energy LP	10
	1
	10
	6
	11
	5
	7
Gexa Energy LP Total	50
NextEra Duane Arnold	76
	31
	4
	1
	3
	6
	10
NextEra Duane Arnold Total	131
NextEra Energy Resources, LLC	60
	71
	40
	4
	4
	29
	16
	1
	128
	24
	12
	4
	4
	12
	6
	4
	23
	4
NextEra Energy Resources, LLC Total	447
NextEra Energy Seabrook, LLC	100
	23
	5
	2
	1
	10
	6
	8
	1
NextEra Energy Seabrook, LLC Total	156
NextEra Maine Op Svcs	1
	84
	30
	9
	1
NextEra Maine Op Svcs Total	125

FPL Group Resources, LLC Total	3
FPL Group, Inc	18
FPL Group, Inc Total	18
Gexa Energy LP	10
	1
	10
	6
	11
	5
	7
Gexa Energy LP Total	50
NextEra Duane Arnold	76
	31
	4
	1
	3
	6
	10
NextEra Duane Arnold Total	131
NextEra Energy Resources, LLC	60
	71
	40
	4
	4
	29
	16
	1
	128
	24
	12
	4
	4
	12
	6
	4
	23
	4
NextEra Energy Resources, LLC Total	447
NextEra Energy Seabrook, LLC	100
	23
	5
	2
	1
	10
	6
	8
	1
NextEra Energy Seabrook, LLC Total	156
NextEra Maine Op Svcs	1
	84
	30
	9
	1
NextEra Maine Op Svcs Total	125

NextEra N Mex Op Svcs	PGD Wind Opns	14
NextEra N Mex Op Svcs Total		14
NextEra Operating Svcs	PGD T&H Opn BBU	15
	PGD T&H Opns NB	364
	PGD Wind Opns	493
	Supply Chain NB	17
	Trans Subst NB	22
NextEra Operating Svcs Total		911
NextEra Point Beach	Business Mgmt	102
	Engineering	10
	Human Resources	7
	IBEW 2150	8
	IBEW 2150 PSQ	2
	IBEW 2150 PU	6
	IBEW 2150 TRN	2
	Nuclear NB	1
	Nuclr Oversight	3
	SupChn BU2150PU	1
	Supply Chain NB	5
NextEra Point Beach Total		147
NextEra Power Mktg	Gas Trading	13
	General Counsel	12
	NextEra Finance	28
	PMI Trading	38
	Retail Markets	6
	Risk Management	18
NextEra Power Mktg Total		115
NextEra Project Mgmt	Business Mgmt	10
	Development	8
	Environ Support	2
	General Counsel	4
	Human Resources	8
	Info Mgmt NB	5
	Market Services	3
	Nuclear NB	12
	PGD Cen Mint NB	35
	PGD Prod Assur	5
	PGD T&H Opns NB	17
	PGD Tech Svcs	8
	PGD Wind Opns	8
	Spain Solar	2
NextEra Project Mgmt Total		127
WindLogics Inc	Development	12
WindLogics Inc Total		12
#N/A	#N/A	93
#N/A Total		93
(blank)	(blank)	
(blank) Total		
Grand Total		6118

NextEra N Mex Op Svcs	PGD Wind Opns	14
NextEra N Mex Op Svcs Total		14
NextEra Operating Svcs	PGD T&H Opn BBU	15
	PGD T&H Opns NB	364
	PGD Wind Opns	493
	Supply Chain NB	17
	Trans Subst NB	22
NextEra Operating Svcs Total		911
NextEra Point Beach	Business Mgmt	102
	Engineering	10
	Human Resources	7
	IBEW 2150	8
	IBEW 2150 PSQ	2
	IBEW 2150 PU	6
	IBEW 2150 TRN	2
	Nuclear NB	1
	Nuclr Oversight	3
	SupChn BU2150PU	1
	Supply Chain NB	5
NextEra Point Beach Total		147
NextEra Power Mktg	Gas Trading	13
	General Counsel	12
	NextEra Finance	28
	PMI Trading	38
	Retail Markets	6
	Risk Management	18
NextEra Power Mktg Total		115
NextEra Project Mgmt	Business Mgmt	10
	Development	8
	Environ Support	2
	General Counsel	4
	Human Resources	8
	Info Mgmt NB	5
	Market Services	3
	Nuclear NB	12
	PGD Cen Mint NB	35
	PGD Prod Assur	5
	PGD T&H Opns NB	17
	PGD Tech Svcs	8
	PGD Wind Opns	8
	Spain Solar	2
NextEra Project Mgmt Total		127
WindLogics Inc	Development	12
WindLogics Inc Total		12
#N/A	#N/A	93
#N/A Total		93
(blank)	(blank)	
(blank) Total		
Grand Total		6118

CBU's	Total		FPL Utility		NextEra Direct		NextEra Indirect		Total		FPL Utility		NextEra Direct		NextEra Indirect		Total		FPL Utility		NextEra Direct		NextEra Indirect		Total									
	FTE's	Utility	Direct	Indirect	Direct	Indirect	Direct	Indirect	Total	Direct	Indirect	Direct	Indirect	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Direct	Indirect	Total	Direct	Indirect	Total							
Aviation	0.30	0.15	0.00	0.15		0.15			0.30										0.30															
Corporate Compliance	0.15	0.10	0.00	0.05																														
Corporate Security	0.45	0.25	0.00	0.25																														
Emergency Planning	0.10	0.05	0.00	0.05																														
Environmental Svcs	0.15	0.10	0.05	0.00																														
External Affairs	0.10	0.10	0.00	0.00																														
Governmental Affairs	0.20	0.10	0.00	0.10																														
Internal Audit	0.70	0.40	0.00	0.30		0.10			0.30																									
Marketing & Comm.	0.30	0.10	0.05	0.15																														
Operational Excellence	0.10	0.05	0.00	0.05																														
Regulatory Affairs	0.45	0.45	0.00	0.00																														
RAP	0.05	0.05	0.00	0.00																														
Risk Management	1.30	0.65	0.65	0.00					0.40																									
GC: Legal	0.60	0.60	0.00	0.00					0.20																									
GC: Claims	0.20	0.10	0.00	0.10					0.20																									
GC: Corp Records/Proc	0.50	0.50	0.00	0.00					0.20																									
Finance	0.25	0.25	0.00	0.00					0.15																									
IM	0.25	0.25	0.00	0.00					0.15																									
<b>Total CBU Support:</b>	<b>27.00</b>	<b>4.10</b>	<b>0.75</b>	<b>1.15</b>					<b>2.00</b>	<b>0.75</b>	<b>0.00</b>	<b>0.25</b>	<b>0.10</b>	<b>0.70</b>	<b>0.20</b>	<b>3.00</b>	<b>0.24</b>	<b>0.35</b>	<b>0.21</b>	<b>4.00</b>	<b>0.70</b>	<b>0.20</b>	<b>0.10</b>	<b>0.80</b>	<b>0.00</b>	<b>0.20</b>	<b>6.00</b>	<b>0.55</b>	<b>0.15</b>	<b>0.30</b>	<b>7.00</b>	<b>0.60</b>	<b>0.20</b>	<b>0.20</b>

FTE's for FPL Utility: 4.10  
 FTE's for NextEra Direct: 0.75  
 FTE's for NextEra Indirect: 1.15  
 Total FTE's for NextEra Support: 1.90  
 Total CBU Support: 6.00

PGD/Fibernet	Total		FPL Utility		NextEra Direct		NextEra Indirect	
	Total	Utility	Direct	Indirect	Total	Direct	Indirect	
Fibernet	1.00	0.24	0.20	0.35	0.21			

PGD	Total		FPL Utility		NextEra Direct		NextEra Indirect	
	Total	Utility	Direct	Indirect	Total	Direct	Indirect	
Fibernet	1.00	0.30	0.50	0.20	0.30			
PGD								
<b>Total PGD Support:</b>	<b>1.00</b>	<b>0.30</b>	<b>0.50</b>	<b>0.20</b>	<b>0.30</b>			

Total CBU & PGD	Total		FPL Utility		NextEra Direct		NextEra Indirect	
	Total	Utility	Direct	Indirect	Total	Direct	Indirect	
CBU Support	27.00	4.40	1.25	1.35	4.40			
PGD Support	1.00	0.30	0.50	0.20	0.30			
<b>Total CBU &amp; PGD FTE's:</b>	<b>28.00</b>	<b>4.70</b>	<b>1.75</b>	<b>1.55</b>	<b>4.70</b>			

Direct: Support NextEra employees within the BU (e.g., Legal has NextEra employees that we support)  
 Indirect: Support for the BU, who in turn supports NextEra (e.g., Aviation provides services for NextEra employees, and we support Aviation)

470020  
 470020  
 0

197057  
 197057  
 0

**Florida Power & Light Company**  
**Affiliate Management Fee Specific Cost Drivers**

	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Description</b>	<b>Historical Year</b>	<b>Prior Year</b>	<b>Test Year</b>
Headcount (including Affiliates)	33.29%	33.98%	33.98%
Square Footage (including Affiliates)	13.29%	18.53%	18.53%
Square Footage - General Office - Miami	3.41%	8.03%	8.03%
Square Footage - Juno Beach	30.22%	30.96%	30.96%
Capitalized Software shared with Affiliates	28.40%	28.40%	28.40%
Capitalized Hardware shared with Affiliates	12.11%	11.37%	11.37%
Shared Nuclear Executives (allocated by # of units)	50.00%	50.00%	50.00%
Shared Power Generation Division Executives (allocated by megawatts)	44.30%	42.87%	43.00%
Corporate Business Unit resource supporting Affiliates	32.00%	32.00%	32.00%
Actual number of workstations per Business Unit (including Affiliates)	27.60%	26.00%	26.00%
Actual number of mainframe MIPS CPU hours by Business Unit / Affiliate for support activities	1.10%	1.30%	1.30%
Database Administrator Resource - Business Intelligence Data Movement	0.00%	4.90%	4.90%
Database Administrator Resource - Technical Support	0.00%	1.90%	1.90%
Actual number of workstations per Business Unit (includes Affiliates in FPL facilities) for support activities	9.80%	8.80%	8.80%
SAP User count per Business Unit / Affiliate for support activities	41.40%	41.40%	41.40%
Servers per Business Unit / Affiliate for support activities	19.50%	21.00%	21.00%
Actual number of workstations per Business Unit (including all Affiliates) for project activities	24.80%	26.00%	26.00%
Actual number of workstations per business unit (includes Affiliates in FPL facilities) for project activities	8.60%	8.80%	8.80%
Actual number of mainframe MIPS CPU hours by Business Unit / Affiliate for project activities	1.10%	1.30%	1.30%
Actual % of FPL's Affiliates workforce as a % of total FPL workforce for Affiliate allocation	31.80%	33.60%	33.60%
SAP user count per Business Unit / Affiliate for project activities	41.40%	41.40%	41.40%
Servers per Business Unit / Affiliate for project activities	16.50%	21.00%	21.00%

**Florida Power & Light Company**  
**Affiliate Management Fee Specific Cost Drivers**

	<u>2011</u>	<u>2012</u>	<u>2013</u>
	Historical Year		
Description	Prior Year	Prior Year	Test Year
Headcount (including Affiliates)	33.29% p2	33.98% p7	33.98% p7
Square Footage (including Affiliates)	13.29% p3	18.53% p8	18.53% p8
Square Footage - General Office - Miami	3.41% p3	8.03% p8	8.03% p8
Square Footage - Juno Beach	30.22% p3	30.96% p8	30.96% p8
Capitalized Software shared with Affiliates	28.40% p4	28.40% p9	28.40% p9
Capitalized Hardware shared with Affiliates	12.11% p5	11.37% p10	11.37% p10
Shared Nuclear Executives (allocated by # of units)	50.00%	50.00%	50.00%
Shared Power Generation Division Executives (allocated by megawatts)	44.30% p6	42.87% p11	43.00% p11
Corporate Business Unit resource supporting Affiliates	32.00% p12	32.00% p13	32.00% p13
X2 Actual number of workstations per Business Unit (including Affiliates)	27.60% p12	26.00% p13	26.00% p13
X4 Actual number of mainframe MIPS CPU hours by Business Unit / Affiliate for support activities	1.10% p12	1.30% p13	1.30% p13
XB Database Administrator Resource - Business Intelligence Data Movement	0.00%	4.90% p13	4.90% p13
XC Database Administrator Resource - Technical Support	0.00%	1.90% p13	1.90% p13
XF Actual number of workstations per Business Unit (includes Affiliates in FPL facilities) for support activities	9.80% p12	8.80% p13	8.80% p13
XM SAP User count per Business Unit / Affiliate for support activities	41.40% p12	41.40% p13	41.40% p13
XS Servers per Business Unit / Affiliate for support activities	19.50% p12	21.00% p13	21.00% p13
Y2 Actual number of workstations per Business Unit (including all Affiliates) for project activities	24.80% p12	26.00% p13	26.00% p13
Y7 Actual number of workstations per business unit (includes Affiliates in FPL facilities) for project activities	8.60% p12	8.80% p13	8.80% p13
Y8 Actual number of mainframe MIPS CPU hours by Business Unit / Affiliate for project activities	1.10% p12	1.30% p13	1.30% p13
YK Actual % of FPL's Affiliates workforce as a % of total FPL workforce for project activities	31.80% p12	33.60% p13	33.60% p13
YM SAP user count per Business Unit / Affiliate for project activities	41.40% p12	41.40% p13	41.40% p13
YS Servers per Business Unit / Affiliate for project activities	16.50% p12	21.00% p13	21.00% p13

**FPL Group**  
**Number of Employees by Company as of: 08/31/2010**  
**Run Date: 09/01/2010 12.03.54 Routine: moprcnts.fex**

ROUTE	STAFF DATE	PA	PERS AREA DESCRIPTION	RC_EMP_CATEG	BARG UNIT	EXEMPT	NON-EXEMPT	TOTAL	RPTYPE
moprcnts	2010/08/31	0001	Florida Power & Light Company	FULL-TIME	3,164	4,272	2,403	9,839	
				PT/TEMPS	45	23	68	136	
<b>TOTAL PERS AREA 0001</b>					<b>3,209</b>	<b>4,295</b>	<b>2,471</b>	<b>9,975</b>	<b>66.71%</b>
<b>TOTAL PERS AREA 0003</b>									<b>0.13%</b>
		0003	NextEra Energy, Inc.	FULL-TIME	-	19	-	19	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0008</b>									<b>0.72%</b>
		0008	FPL Energy Services, Inc	FULL-TIME	-	52	54	106	
				PT/TEMPS	-	-	2	2	
<b>TOTAL PERS AREA 0010</b>									<b>4.13%</b>
		0010	NextEra Energy Resources, LLC	FULL-TIME	-	529	85	614	
				PT/TEMPS	-	1	3	4	
<b>TOTAL PERS AREA 0012</b>									<b>1.53%</b>
		0012	NextEra Project Mgmt	FULL-TIME	-	224	5	229	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0032</b>									<b>0.96%</b>
		0032	NextEra Maine Op Svcs	FULL-TIME	96	41	7	144	
				PT/TEMPS	19	126	932	1,077	
<b>TOTAL PERS AREA 0038</b>									<b>7.33%</b>
		0038	NextEra Operating Svcs	FULL-TIME	19	126	951	1,096	
				PT/TEMPS	-	284	6	270	
<b>TOTAL PERS AREA 0039</b>									<b>1.83%</b>
		0039	NextEra Power Mktg	FULL-TIME	-	1	3	4	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0041</b>									<b>1.20%</b>
		0041	FPL FiberNet, LLC	FULL-TIME	-	123	55	178	
				PT/TEMPS	-	1	-	1	
<b>TOTAL PERS AREA 0042</b>									<b>4.69%</b>
		0042	NextEra Energy Seabrook, LLC	FULL-TIME	238	404	59	701	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0043</b>									<b>0.03%</b>
		0043	FPL Group Resources, LLC	FULL-TIME	-	3	2	5	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0044</b>									<b>0.09%</b>
		0044	NextEra N Mex Op Svcs	FULL-TIME	-	1	13	14	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0046</b>									<b>4.15%</b>
		0046	NextEra Duane Arnold	FULL-TIME	277	307	36	620	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0047</b>									<b>0.37%</b>
		0047	WindLogics Inc	FULL-TIME	-	54	1	55	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0048</b>									<b>1.50%</b>
		0048	Gexa Energy LP	FULL-TIME	-	151	71	222	
				PT/TEMPS	-	-	-	-	
<b>TOTAL PERS AREA 0049</b>									<b>4.57%</b>
		0049	NextEra Point Beach	FULL-TIME	472	203	4	679	
				PT/TEMPS	3	2	-	5	
<b>TOTAL PERS AREA 0050</b>									<b>0.05%</b>
		0050	Lone Star Transmission, LLC	FULL-TIME	475	205	4	684	
				PT/TEMPS	-	6	1	7	
<b>TOTAL PERS AREA 0050</b>									<b>33.29%</b>
<b>TOTAL STAFF DATE 2010/08/31</b>					<b>4,314</b>	<b>6,808</b>	<b>3,831</b>	<b>14,953</b>	
<b>TOTAL PGMNAME moprcnts</b>					<b>4,314</b>	<b>6,808</b>	<b>3,831</b>	<b>14,953</b>	
<b>TOTAL</b>					<b>4,314</b>	<b>6,808</b>	<b>3,831</b>	<b>14,953</b>	<b>To KO-12</b>

Square Footage Drivers January 2010

Sum of Total Bus Unit Description	Summary										Grand Total	LFO	LFO	
	Bldg Code	JBA	JBB	JBC	JBD	JBE	JBF	JBG	JBH	JBI				JBJ
Business Strategy & Policy	317,982	12,286	3,806	53,665	8,257							317,982	78,014	1,282
Corporate Communications	28,951	31,732	2,023									28,951	33,755	5,156
Corporate Real Estate	13,251	6,588	17,115	26,845	14,456	12,103						13,251	77,106	80,173
Customer Service	140,226											140,226	14,812	0
Energy Marketing & Trading			7,200		11,438	3,373							14,812	15,697
Engineering & Construction			4,439	5,722	33,024	6,420							43,185	371
Financial	38,896											38,896	12,076	0
Florida Power & Light Company	12,076				24,794							12,076	24,794	0
FPL Energy, Power Mktg	3,817											3,817	0	0
FPL Energy Services	23,852											23,852	170	0
FPL Fibernet	11,917			170	30,584							11,917	30,584	42,502
FPL Group														42,502
FPL Services					248									248
General Counsel	21,082				2,343							21,082	23,820	44,902
Govt Affairs - Fed					484								484	1,015
Govt Affairs - State					1,015								1,015	66,552
HR & Corporate Services	13,170				51,659	1,722						13,170	53,382	459,340
Information Management	426,303			27,800								426,303	27,800	5,236
Integrated Supply Chain	4,095				28,762	173						4,095	28,935	33,031
Internal Auditing	7,412				5,867							7,412	5,867	13,279
NextEra Energy Resources	151	19,247		38,622	4,472	129,231						151	191,573	191,723
Nuclear Division	10,557	9,527		6,097	58,201							10,557	73,826	84,382
Power Generation				42,418	380								54,357	54,357
Power Systems	59,887											59,887	42,798	208,018
Regulatory Affairs	19,143				7,524							19,143	7,524	26,667
Resource Planning	11,810			237								11,810	237	12,048
Grand Total	1,184,558	102,005	64,529	209,229	254,926	204,271	197,550					1,184,558	834,960	2,197,068

Affiliates

Affiliate %

To KO-12	39,717	252,345	0	282,061
NEER	3.41%	30.22%	0.00%	13.29%
Fibernet	0.01%	25.91%	0.00%	9.85%
Other	2.05%	0.02%	0.00%	1.00%
	1.02%	3.66%		1.93%

2007-2008 percentages	7.19%	22.11%	0.00%	2007-2008 percentages
2005-2006 percentages	5.22%	14.85%	0.00%	2005-2006 percentages



**AFFILIATE MEGAWATTS  
As of Sept 2010**

2010 Forecast	
Avg Total	Type
	Co.
	Other
FPL	23,513.3
FPLE	17,504.8
Grand Total	41,018.1
FPL	57.3%
FPLE	42.7%

USING Nameplate MWs

use this for 2010 forecast

FPL recon	23513.3	2010 bal	17504.8	FPLE recon	17504.8	2010 bal	17504.8
	1366.8	WC3			99	Day City	
	-311.0	Riviera3			1000	U-wind	
	-310.0	Riviera4			75	U-solar	
	-402.0	CC1					
	-402.0	CC2					
	<u>23455.1</u>						

2011 Forecast	
Avg Total	Type
	Co.
	Other
FPL	23,455.2
FPLE	18,678.8
Grand Total	42,133.9
FPL	55.7%
FPLE	44.3%

USING Nameplate MWs

use this for 2011 forecast

18678.8	2011 bal
1000	U-wind
25	U-solar
<u>19703.8</u>	

2012 Forecast	
Avg Total	Type
	Co.
	Other
FPL	23,455.2
FPLE	19,703.8
Grand Total	43,158.9
FPL	54.3%
FPLE	45.7%

USING Nameplate MWs

use this for 2012 forecast

FPL recon	23455.2	2012 bal	19703.8
	1343.0	CC	1000
	24798.2		274.8
			U-solar
			<u>20978.6</u>

2013 Forecast	
Avg Total	Type
	Co.
	Other
FPL	24,798.2
FPLE	20,978.6
Grand Total	45,776.7
FPL	54.2%
FPLE	45.8%

USING Nameplate MWs

use this for 2013 forecast

FPL recon	24798.2	2013 bal	20978.6
	1310.0	Riviera	1000
	26108.2		325
			U-solar
			<u>22303.6</u>

2014 Forecast	
Avg Total	Type
	Co.
	Other
FPL	26,108.2
FPLE	22,303.6
Grand Total	48,411.7
FPL	53.9%
FPLE	46.1%

USING Nameplate MWs

use this for 2014 forecast

CPR	In-Svc	Degr Life	previous year end	current year end	Monthly	Yr. Added	Description	Total Hardware	Amount	Month Amtz	Thru 12/31	Dec-09	Jan-2010	NBV	(b) Month Amtz	Thru 12/09	Amortization	2010	Accumulated Amortization	Net Book	101	Alloc. Driver	SUBS %	Alloc. Descr.	Avg Alloc Rate
6091000510	6/1	6/1	\$	\$	26,050.00	2002		1,563,000.00	\$	60	1,563,000.00	\$	-	-	60	-	-	1,563,000.00	0.00	0.00	Y7	5.7%	WIS Model #4	8.1%	
6091000610	6/1	6/1	\$	\$	2,083.33	2002		125,000.00	\$	60	125,000.00	\$	-	-	60	0.00	0.00	125,000.00	0.00	0.00	Y7	21.7%	WIS Model #4	8.1%	
6091000630	6/1	6/1	\$	\$	4,166.67	2002		150,000.00	\$	36	150,000.00	\$	-	-	36	0.00	0.00	150,000.00	0.00	0.00	Y7	5.7%	WIS Model #4	8.1%	
6091000680	6/1	6/1	\$	\$	5,952.38	2002		500,000.00	\$	84	500,000.00	\$	-	-	84	0.00	0.00	500,000.00	0.00	0.00	Y7	0.0%	# of pagens (Note 3)	8.0%	
6091000980	6/1	6/1	\$	\$	6,756.47	2002		405,388.23	\$	60	405,388.23	\$	-	-	60	0.00	0.00	405,388.23	0.00	0.00	Y7	5.7%	WIS Model #4	8.1%	
6091000990	6/1	6/1	\$	\$	4,334.84	2002		260,078.42	\$	60	260,078.42	\$	-	-	60	0.00	0.00	260,078.42	0.00	0.00	Y7	5.7%	WIS Model #4	8.1%	
6091000990	6/1	6/1	\$	\$	12,333.33	2002		740,000.00	\$	60	740,000.00	\$	-	-	60	0.00	0.00	740,000.00	0.00	0.00	Y7	5.7%	WIS Model #4	8.1%	
6091000990	6/1	6/1	\$	\$	20,000.00	2002		1,200,000.00	\$	60	1,200,000.00	\$	-	-	60	0.00	0.00	1,200,000.00	0.00	0.00	Y7	5.7%	WIS Model #4	8.1%	
6091000990	6/1	6/1	\$	\$	2,178.57	2003	Communication Services - IMO	183,000.00	\$	84	183,000.00	\$	(14,960)	-	84	(14,960)	-	183,000.00	0.00	0.00	Y7	6.1%	# of pagens	7.1%	
6091000990	6/1	6/1	\$	\$	79,100.00	2003	Infrastructure Resources - Expans	4,746,000.00	\$	60	4,746,000.00	\$	-	-	60	0.00	0.00	4,746,000.00	0.00	0.00	X2	24.4%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	17,050.00	2003	Network Infrastructure - Growth	1,023,000.00	\$	60	1,023,000.00	\$	-	-	60	0.00	0.00	1,023,000.00	0.00	0.00	X2	24.4%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	7,583.33	2003	Internet Network Access	76,000.00	\$	36	76,000.00	\$	-	-	36	0.00	0.00	76,000.00	0.00	0.00	X2	24.4%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	2,111.11	2003	Lotus Notes - e-mail Infrastructu	128,000.00	\$	36	128,000.00	\$	-	-	36	0.00	0.00	128,000.00	0.00	0.00	YM	0.0%	% of EAI info exch. (Note 3)	10.4%	
6091000990	6/1	6/1	\$	\$	3,555.56	2003	Enterprise Application Integrati	128,000.00	\$	36	128,000.00	\$	-	-	36	0.00	0.00	128,000.00	0.00	0.00	X2	24.4%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	2,638.89	2003	Network Security	95,000.00	\$	36	95,000.00	\$	-	-	36	0.00	0.00	95,000.00	0.00	0.00	X2	24.4%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	20,416.67	2003	Corporate Information Portal	735,000.00	\$	36	735,000.00	\$	-	-	36	0.00	0.00	735,000.00	0.00	0.00	X2	24.4%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	56,444.44	2004	Windows NT Migration	2,032,000.00	\$	36	2,032,000.00	\$	-	-	36	0.00	0.00	2,032,000.00	0.00	0.00	Y7	5.7%	WIS Model #4	8.1%	
6091000990	6/1	6/1	\$	\$	27,777.78	2004	Workstation Deployment	1,000,000.00	\$	36	1,000,000.00	\$	-	-	36	0.00	0.00	1,000,000.00	0.00	0.00	Y7	5.7%	WIS Model #4	8.1%	
6091000990	6/1	6/1	\$	\$	16,566.67	2004	Data Infrastructure Growth	600,000.00	\$	36	600,000.00	\$	-	-	36	0.00	0.00	600,000.00	0.00	0.00	Y2	21.7%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	35,722.22	2004	Infrastructure Resource Expans	1,286,000.00	\$	36	1,286,000.00	\$	-	-	36	0.00	0.00	1,286,000.00	0.00	0.00	Y3	11.0%	DASD server alloc.	10.4%	
6091000990	6/1	6/1	\$	\$	4,016.67	2004	Infrastructure Resource Expans	241,000.00	\$	60	241,000.00	\$	-	-	60	0.00	0.00	241,000.00	0.00	0.00	Y3	19.2%	DASD server alloc.	10.4%	
6091000990	6/1	6/1	\$	\$	16,686.87	2004	Application Hosting Infrastructu	600,000.00	\$	36	600,000.00	\$	-	-	36	0.00	0.00	600,000.00	0.00	0.00	Y3	10.4%	Based on server	23.9%	
6091000990	6/1	6/1	\$	\$	3,065.58	2004	SAP Infrastructure	110,000.00	\$	36	110,000.00	\$	-	-	36	0.00	0.00	110,000.00	0.00	0.00	Y2	21.7%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	79,470.22	2005	XP Migration	2,860,928.00	\$	36	2,860,928.00	\$	-	-	36	0.00	0.00	2,860,928.00	0.00	0.00	Y2	21.7%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	50,546.38	2005	Infra Resource Business Case	1,819,668.00	\$	36	1,819,668.00	\$	-	-	36	0.00	0.00	1,819,668.00	0.00	0.00	Y3	11.0%	DASD server alloc.	10.4%	
6091000990	6/1	6/1	\$	\$	13,211.47	2005	Infra Resource Business Case	792,688.00	\$	60	792,688.00	\$	(85,875)	-	60	(85,875)	-	792,688.00	0.00	0.00	Y3	11.0%	DASD server alloc.	10.4%	
6091000990	6/1	6/1	\$	\$	44,296.00	2005	Application Hosting	2,654,166.00	\$	60	2,654,166.00	\$	(287,534)	-	60	(287,534)	-	2,654,166.00	0.00	0.00	Y3	19.2%	DASD server alloc.	10.4%	
6091000990	6/1	6/1	\$	\$	17,718.58	2005	Lotus Notes Hardware (Non-Bus	837,869.00	\$	60	837,869.00	\$	-	-	60	0.00	0.00	837,869.00	0.00	0.00	Y3	21.7%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	14,734.24	2005	Network Improvement Project	1,350,000.00	\$	60	1,350,000.00	\$	-	-	60	0.00	0.00	1,350,000.00	0.00	0.00	Y2	23.9%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	55,535.81	2005	XP Migration Controls & Enhancem	1,999,289.00	\$	36	1,999,289.00	\$	-	-	36	0.00	0.00	1,999,289.00	0.00	0.00	Y2	21.7%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	60,828.61	2006	Server Consolidation & Capacity	2,189,830.00	\$	36	2,189,830.00	\$	-	-	36	0.00	0.00	2,189,830.00	0.00	0.00	Y3	11.0%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	19,500.00	2006	Maintenance Capacity Upgrade	3,295,789.00	\$	36	3,295,789.00	\$	-	-	36	0.00	0.00	3,295,789.00	0.00	0.00	Y3	10.4%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	30,535.02	2006	Enterprise Network Inmr Project	1,170,000.00	\$	54	1,170,000.00	\$	110,500	-	54	110,500	-	1,170,000.00	(6,500.00)	0.00	Y8	8.1%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	1,397.73	2006	Security Management Project	2,564,942.00	\$	54	2,564,942.00	\$	905,872	-	54	905,872	-	2,025,488.91	539,452.09	0.00	Y2	23.9%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	11,044.14	2006	Security Control & Enhancem	83,864.00	\$	54	83,864.00	\$	7,920	-	54	7,920	-	84,329.91	(465.91)	0.00	Y2	21.7%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	97.75	2006	Identity Access Mgmt Project	428,189.00	\$	36	428,189.00	\$	-	-	36	0.00	0.00	428,189.00	0.00	0.00	Y2	21.7%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	35,696.67	2006	Infra Capacity and Lifecycle Bus	3,518.00	\$	42	3,518.00	\$	-	-	42	0.00	0.00	3,518.00	0.00	0.00	Y3	19.2%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	22,116.57	2007	Maintenance Capacity Upgrade	1,375,000.00	\$	42	1,375,000.00	\$	408,681	-	42	408,681	-	1,241,319.44	133,680.56	0.00	Y8	8.1%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	24,645.83	2007	Future Enterprise Network Archi	1,478,750.00	\$	42	1,478,750.00	\$	439,517	-	42	439,517	-	1,334,982.84	143,767.16	0.00	Y8	8.1%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	48,269.33	2007	Future Enterprise Network Archi	4,054,624.00	\$	42	4,054,624.00	\$	2,019,267	-	42	2,019,267	-	2,614,988.89	1,440,035.11	0.00	Y7	6.0%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	22,233.33	2007	Server Consolidation & Capacity	1,334,000.00	\$	42	1,334,000.00	\$	396,494	-	42	396,494	-	1,204,305.56	129,694.44	0.00	Y3	27.9%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	20,068.33	2008	Infra Capacity and Lifecycle Bus	1,205,300.00	\$	30	1,205,300.00	\$	602,650	-	30	602,650	-	843,710.00	381,590.00	0.00	Y3	19.2%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	73,346.63	2008	Future Enterprise Network Archi	6,161,033.00	\$	30	6,161,033.00	\$	3,960,664	-	30	3,960,664	-	3,060,316.30	3,094,716.70	0.00	Y7	8.1%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	31,729.95	2009	Server Consolidation & Capacity	1,041,193.00	\$	30	1,041,193.00	\$	320,026	-	30	320,026	-	880,146	161,047.00	0.00	Y7	27.9%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	111,328.42	2009	Infra Capacity and Lifecycle Bus	1,903,197.00	\$	18	1,903,197.00	\$	520,626	-	18	520,626	-	1,448,571.00	452,626.00	0.00	Y3	27.9%	WIS Model #2	19.2%	
6091000990	6/1	6/1	\$	\$	47,869.12	2010	Future Enterprise Network Archi	9,351,397.00	\$	18	9,351,397.00	\$	2,347,676	-	18	2,347,676	-	7,003,721.00	2,347,676.00	0.00	Y7	6.0%	WIS Model #4	8.1%	
6091000990																									

Business Unit	Lech	Work Order	Description	Depr Life	Monthly Annual Depr.	Project to Date	In-Serv Date	Months Amortized Thru Dec 10	Accumulated Amortization Thru Dec 10	Net Book Thru Dec 10	Annual Amortization	2007
Information Management	37	7129	Infrastructure Servers/Networks Development	60	34,586.99	2,075,219.57	Jul-09	60	2,075,219.57	0.00	0	X2
	38	7772	New System Interapplications-Enablers 1999 Dev.	60	7,452.89	447,155.78	Jul-00	60	447,155.78	0.00	0	X2
	40	7053	NT Writans Devlp - (Dlp Only)	60	61,904.15	3,714,248.86	Jul-99	60	3,714,248.86	0.00	0	X2
	41	7049	Sys Mgmt Project - Development	60	95,002.02	5,700,121.40	Jul-99	60	5,700,121.40	0.00	0	X2
	41	8251	Mail, Messaging & Print Management - Development	60	23,621.79	1,417,307.47	Jul-01	60	1,417,307.47	0.00	0	X2
	41	8281	Systems Management - 2000 (Development)	60	22,767.89	1,385,079.57	Jul-01	60	1,385,079.57	0.00	0	X2
	06/101		Windows 2000 Develop / Deployment - Fw / Print	60	7,500.00	450,000.00	Jul-02	60	450,000.00	-	0	X2
	003700		Windows 2000 Develop / Deployment - WS Dev	60	7,933.33	476,000.00	Jul-02	60	476,000.00	-	0	X2
	Multiple		Communication Services - MO / IMA	60	9,616.67	577,000.00	Jul-02	60	577,000.00	-	0	X2
	Multiple		Communication Services - Paging	60	8,366.67	502,000.00	Jul-02	60	502,000.00	-	0	X2
	004101		Lotus Notes - e-mail Infrastructure Improvements	60	28,900.00	1,734,000.00	Jul-02	60	1,734,000.00	-	0	X2
	004003		Enterprise Application Integration	60	31,466.67	1,888,000.00	Jul-02	60	1,888,000.00	-	0	X2
	06/100		Network Security	60	6,633.33	410,000.00	Jul-02	60	410,000.00	-	0	X2
	004006		Corporate Information Portal	60	31,833.33	1,910,000.00	Jul-02	60	1,910,000.00	-	0	X2
	37	1054	MICROSOFT DESKTOP SOFTWARE	60	26,201.24	1,572,075.00	Jul-03	60	1,572,075.00	-	0	Y1
	3700	6286	INFORMATION TECHNOLOGY OPTIMIZATION	60	13,990.80	839,448.00	Jul-03	60	839,448.00	-	0	Y2
	4116	6286	INFORMATION TECHNOLOGY OPTIMIZATION	60	2,453.82	147,229.00	Jul-03	60	147,229.00	-	0	Y2
	5108	6286	INFORMATION TECHNOLOGY OPTIMIZATION	60	13,568.82	814,129.00	Jul-03	60	814,129.00	-	0	Y2
	60100	6286	INFORMATION TECHNOLOGY OPTIMIZATION	60	11,899.48	713,969.00	Jul-03	60	713,969.00	-	0	Y2
	51	1572	ORACLE LICENSE PURCHASES 2003-2004	60	8,448.33	506,900.00	Jul-03	60	506,900.00	-	0	Y1
	37	1842	Microsoft XP Migration Primary Use	60	7,822.82	469,369.44	Jul-04	60	469,369.44	-	0	Y2
	601	1837	Security Controls and Architecture	60	8,448.33	506,900.00	Jul-04	60	506,900.00	-	0	Y2
			<b>TOTAL INFORMATION MANAGEMENT</b>		<b>470,618.19</b>	<b>28,237,151.66</b>			<b>28,237,151.66</b>	<b>0.00</b>	<b>0</b>	<b>24.35%</b>
Finance Business Unit	009	7349	FMIP - ARMS (CARMSEBing)	60	52,355.42	3,141,325.21	Jul-00	60	3,141,325.21	0.00	0	X2
			<b>TOTAL FINANCE BUSINESS UNIT</b>		<b>52,355.42</b>	<b>3,141,325.21</b>			<b>3,141,325.21</b>	<b>0.00</b>	<b>0</b>	<b>24.35%</b>
Corporate Services	601	6259	E-Business-Security Infrastructure (IMA) Development	60	11,686.97	701,938.04	Jul-01	60	701,938.04	0.00	0	X2
	40	9982	Corporate Information Portal Carryout	60	24,939.99	1,496,393.69	Jul-04	60	1,496,393.69	-	0	Y2
	40	1951	SAP - Enterprise Infrastructure 2004 (IM Funded) - Arch Devlp	60	7,790.26	467,415.97	Jul-04	60	467,415.97	-	0	Y2
	40	1951	SAP - Enterprise Infrastructure 2005 (IM Funded) - Arch Devlp	60	1,742.27	104,556.20	Jul-05	67	115,460.96	-	0	Y2
	51	9828	Enterprise Systems - Management Tools	60	40,820.88	2,455,254.34	Jul-03	60	2,455,254.34	-	0	Y3
	601	8732	E-Business-Security Infrastructure-Network Security 2001	60	8,903.72	534,223.28	Jul-02	60	534,223.28	-	0	X2
	4012	7732	ESS Replacement	60	7,128.78	427,787.00	Jul-09	6	42,717.70	385,069.30	85,527	24.35%
			<b>TOTAL CORPORATE SERVICES</b>		<b>61,877,006.42</b>	<b>61,877,006.42</b>			<b>5,813,322.86</b>	<b>385,069.30</b>	<b>85,527</b>	<b>28.40%</b>
<b>TOTALS</b>					<b>37,565,453.29</b>				<b>385,069.30</b>	<b>385,069.30</b>	<b>85,527</b>	<b>28.40%</b>
									<b>306,744.59</b>	<b>1,284,767.26</b>	<b>45,587.00</b>	<b>28.40%</b>
									<b>1,593,555.40</b>	<b>2,876,950.92</b>	<b>2,876.95</b>	<b>28.40%</b>
												<b>22.93%</b>
												<b>To KO-12</b>

NOTES: 1. Using balances as of December 2005 based on the Capitalized Software schedule provided by Fabian Tajador, Information Management  
 2. New additions are amortized 6 months in the first and last year  
 3. Capital Software lives are 5 yrs (60 months)

Breakdown of AMF Allocations - Affiliate Headcount Driver

Data as of September 30, 2011

	Co #	Current Co Name	Total Headcount
Florida Power & Light Percent of Total	0001	Florida Power & Light Company	9,946 66.0250%
AMF 1 - NextEra Energy Resources	0010	NextEra Energy Resources LLC	616
	0012	NextEra Project Mgmt	209
	0032	NextEra Maine Op Svcs	142
	0038	NextEra Operating Svcs	1,135
	0039	NextEra Power Mktg	267
	0042	NextEra Energy Seabrook, LLC	687
	0044	NextEra N Mex Op Svcs	12
	0046	NextEra Duane Arnold	607
	0047	WindLogics Inc	74
	0048	Gexa Energy LP	279
	0049	NextEra Point Beach	696
	0052	NextEra Energy Espana	18
		<b>Total Headcount</b>	<b>4,742</b>
AMF 1 - Allocation			31.4790%
AMF 2 - FiberNet	0041	FPL FiberNet, LLC	173
AMF 2 - Allocation			1.1484%
AMF 3 - FPL Energy Services	0008	FPL Energy Services, Inc	110
AMF 3 - Allocation			0.7302%
AMF 4 - FPL Group	0003	NextEra Energy, Inc.	42
AMF 4 - Allocation			0.2788%
AMF 5 - New Hampshire Transmission			
AMF 5 - Allocation		<i>*As of 9/30/11, 1 employee resides in Co. 43, FPL Group Resources</i>	0.0000%
AMF 6 - Lone Star	0050	Lone Star Transmission, LLC	25
AMF 6 - Allocation			0.1660%
AMF 7 - US Transmission Holdings	0043	FPL Group Resources, LLC	14
AMF 7 - Allocation			0.0929%
AMF 8 - Fibernet	0051	NextEra FiberNet, LLC	12
AMF 8 - Allocation			0.0797%
		<b>Total Headcount</b>	<b>15,064</b>

Square Footage Drivers April 2011

Bus Unit Description	Bldg Code										Summary			
	GO	JBA	JBB	JBC	JBD	JBE	LFO	Grand Total	GO	JB Sum	LFO	GO	JB Sum	LFO
Sum of Total	117,695	11,522	3,806	55,567	7,778	540	1,281	196,909	117,695	79,214	1,281	117,695	79,214	1,281
Business Strategy & Policy	28,807	31,662	2,027				5,155	63,796	28,807	33,709	5,155	28,807	33,709	5,155
Corporate Communications	12,413	6,435	17,021	22,454	14,179	16,161	80,179	93,817	12,413	76,249	80,179	12,413	76,249	80,179
Corporate Real Estate	136,065							216,243	136,065	0		136,065	0	
Customer Service								14,000		14,000			14,000	
Energy Marketing & Trading			7,201			2,532	371	19,353		19,353			19,353	
Engineering & Construction	38,714		4,405	5,733	30,844	25,578		80,067	38,714	40,982	371	38,714	40,982	371
Financial								25,578		25,578			25,578	
FPL Energy Power Mktg	4,504							4,504	4,504			4,504		
FPL Energy Services	24,135			165				24,300	24,135	165		24,135	165	
FPL FiberNet	21,913							51,506	21,913	29,593		21,913	29,593	
FPL Group	19,254							40,139	19,254	20,885		19,254	20,885	
General Counsel				346				485		485			485	
Govt Affairs - Fed					174			174		174			174	
Govt Affairs - State								174		174			174	
HR & Corporate Services	13,108				51,190	1,342		65,640	13,108	52,532		13,108	52,532	
Information Management	104,748			27,326			5,234	137,308	104,748	27,326	5,234	104,748	27,326	5,234
Integrated Supply Chain	4,080				28,246			32,326	4,080	28,246		4,080	28,246	
Internal Auditing	6,768	1,978		5,879				14,626	6,768	7,857		6,768	7,857	
Internal Auditing	150	25,867		41,069	4,048	128,663		199,618	150	199,668		150	199,668	
NextEra Energy Resources	10,518			6,109	88,817			75,444	10,518	64,928		10,518	64,928	
Nuclear Division								52,831		52,831			52,831	
Power Generation								207,151		207,151			207,151	
Power Systems	58,451			42,967	381			103,352	58,451	43,348	103,352	58,451	43,348	103,352
Regulatory Affairs	17,983				7,539			25,522	17,983	7,539		17,983	7,539	
Resource Planning	11,768			237				12,006	11,768	237		11,768	237	
FPL Group - Museum	528			1,962				2,490	528	1,962		528	1,962	
Project Development					249			249		249			249	
U.S. Transmission	631,602	98,633	86,314	209,438	249,093	205,167	197,572	1,657,819	631,602	828,645	197,572	631,602	828,645	197,572
Grand Total														
									50,702	256,540	0	307,241		

GO	JB Sum	LFO	Totals
0.02%	27.19%	0.00%	13.60% NEER
0.7%	0.00%	0.00%	0.7% FPLS
3.82%	0.02%	0.00%	1.47% Fibernet
3.47%	3.57%	0.00%	3.11% FPL Group
0.00%	0.17%	0.00%	0.00% U.S. Transm

To KO-12      Affiliate %      8.03%      30.96%      0.00%      18.53% 2010-2011 percentages  
 3.41%      30.22%      0.00%      13.29% 2009-2010 percentages  
 7.19%      22.11%      0.00%      2007-2008 percentages  
 5.22%      14.85%      0.00%      2005-2006 percentages

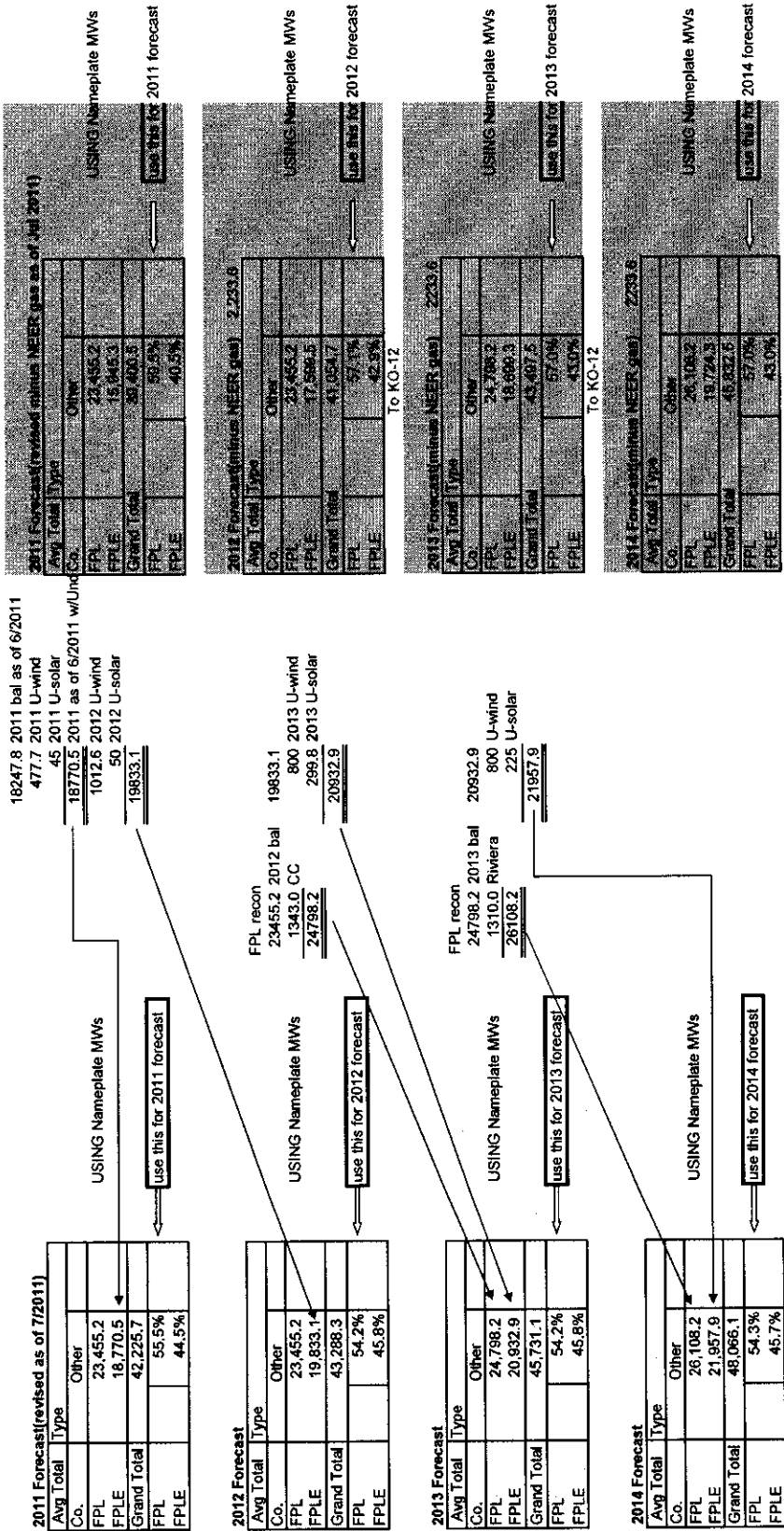


12/31/12 Dec 12

Business Unit	Locn	Work Order	Description	Depr Life	Monthly Annual Depr.	Project to Date	In-Serv Date	Months Amortized Thru Dec 12	Accumulated Amortization Thru Dec 12	Net Book Thru Dec 12	Annual Amortization	2007	2008
Information Management	37	7129	Infrastructure Servers/Network Development	60	34,586.96	2,075,218.57	Jul-09	60	2,075,218.57	0.00	0	X2	24.35%
	38	7772	NT Systems Interapplications-Enables 1999 Dev.	60	7,452.60	447,155.78	Jul-00	60	447,155.78	0.00	0	X2	24.35%
	40	7053	NT Writings Devp - (Ovlp Only)	60	61,904.15	3,714,248.96	Jul-99	60	3,714,248.96	0.00	0	X2	24.35%
	41	7049	Sys Mgmt Project - Development	60	95,002.02	5,003,121.40	Jul-99	60	5,003,121.40	0.00	0	X2	24.35%
	41	8251	Mail, Messaging & Print Management - Development	60	23,621.79	1,417,307.47	Jul-01	60	1,417,307.47	0.00	0	X2	24.35%
	41	8261	Systems Management - 2000 (Development)	60	22,787.96	1,366,079.57	Jul-01	60	1,366,079.57	0.00	0	X2	24.35%
	000101		Windows 2000 Develop / Deployment - File / Print	60	7,500.00	450,000.00	Jul-02	60	450,000.00	0.00	0	X2	24.35%
	000700		Windows 2000 Develop / Deployment - MS Data	60	9,833.33	476,000.00	Jul-02	60	476,000.00	0.00	0	X2	24.35%
	000700		Communication Services - IMC / IMA	60	8,366.67	577,000.00	Jul-02	60	577,000.00	0.00	0	X2	24.35%
	Multiple		Communication Services - Paging	60	28,900.00	502,000.00	Jul-02	60	502,000.00	0.00	0	X2	24.35%
	004003		Lotus Notes - e-mail Infrastructure Improvements	60	31,466.67	1,734,000.00	Jul-02	60	1,734,000.00	0.00	0	X2	24.35%
	000100		Enterprise Application Integration	60	6,833.33	1,886,000.00	Jul-02	60	1,886,000.00	0.00	0	X2	24.35%
	004006		Network Security	60	31,833.33	419,000.00	Jul-02	60	419,000.00	0.00	0	X2	24.35%
2002		Corporate Information Portal	60	26,201.24	1,572,075.00	Jul-03	60	1,572,075.00	0.00	0	X2	24.35%	
2003	1054	MICROSOFT DESKTOP SOFTWARE	60	13,980.80	639,448.00	Jul-03	60	639,448.00	0.00	0	Y2	5.72%	
2003	6266	INFORMATION TECHNOLOGY OPTIMIZATION	60	2,453.82	147,229.00	Jul-03	60	147,229.00	0.00	0	Y2	21.70%	
2003	4116	INFORMATION TECHNOLOGY OPTIMIZATION	60	13,568.82	814,129.00	Jul-03	60	814,129.00	0.00	0	Y2	21.70%	
2003	6266	INFORMATION TECHNOLOGY OPTIMIZATION	60	11,899.48	713,969.00	Jul-03	60	713,969.00	0.00	0	Y2	21.70%	
2003	60100	ORACLE LICENSE PURCHASES 2003-2004	60	8,448.33	506,900.00	Jul-03	60	506,900.00	0.00	0	Y1	10.44%	
2005	37	1942	Microsoft XP Migration Primary Use	60	7,822.82	469,369.44	Jul-04	60	469,369.44	0.00	0	Y2	21.70%
2005	601	1637	Security Controls and Architecture	60	8,448.33	506,900.00	Jul-04	60	506,900.00	0.00	0	Y2	21.70%
			<b>TOTAL INFORMATION MANAGEMENT</b>		<b>470,619.19</b>	<b>28,237,151.66</b>			<b>28,237,151.66</b>	<b>0.00</b>	<b>0</b>		
Finance Business Unit	009	7348	FMP - ARMS (CAPMAS/Billing)	60	52,355.42	3,141,325.21	Jul-00	60	3,141,325.21	0.00	0	X2	24.35%
			<b>TOTAL FINANCE BUSINESS UNIT</b>		<b>52,355.42</b>	<b>3,141,325.21</b>			<b>3,141,325.21</b>	<b>0.00</b>	<b>0</b>		
Corporate Services	601	8259	E-Business-Security Infrastructure (IMA) Development	60	11,689.97	701,398.04	Jul-01	60	701,398.04	0.00	0	X2	24.35%
2005	40	9862	Corporate Information Portal Capout	60	24,938.89	1,496,393.89	Jul-04	60	1,496,393.89	0.00	0	Y2	21.70%
2005	40	1951	SAP - Enterprise Infrastructure 2004 (Ill Funded) - Arch Devlp	60	1,790.26	467,415.67	Jul-04	60	467,415.67	0.00	0	Y2	21.70%
2005	40	1951	SAP - Enterprise Infrastructure 2005 (Ill Funded) - Arch Devlp	60	1,742.27	104,536.20	Jul-05	60	104,536.20	0.00	0	Y2	21.70%
2005	51	9828	Enterprise Systems - Management Tools	60	40,920.68	2,455,252.54	Jul-03	60	2,455,252.54	0.00	0	Y2	11.00%
2005	601	8732	E-Business-Security Infrastructure-Network Security 2001	60	9,903.72	534,223.28	Jul-02	60	534,223.28	0.00	0	X2	24.35%
2009	4012	7732	ESIS Replacement	60	7,129.78	427,787.00	Jul-09	42	299,450.80	138,336.10	85,957.00	YK	28.40%
			<b>TOTAL CORPORATE SERVICES</b>		<b>116,122.90</b>	<b>6,187,006.42</b>			<b>6,112,448.39</b>	<b>138,336.10</b>	<b>85,957.00</b>		
<b>TOTALS</b>					<b>37,965,483.29</b>				<b>129,338.10</b>		<b>85,957.00</b>		
													28.40%
													1.00
													28.40%
													To KD-12

NOTES: 1. Using balances as of December 2005 based on the Capitalized Software schedule provided by Fabian Tejedor, Information Management  
 2. New additions are amortized 6 months in the first and last year  
 3. Capital Software lives are 5 yrs (60 months)

**AFFILIATE MEGAWATTS**  
As of July 2011





**Allocation of time for Shared Risk Management Directors and VP FPL Employees  
(stated in Full-Time Equivalents (FTE)) - 2010-2011**

**Juno Risk Operations**

EMT Emp [REDACTED]		<b>FTE</b>	<b>% NEPM</b>	<b>% FPL</b>	
EMT Emp [REDACTED]	EMT employees	2	-	2.00	100%
	FPLE employees	8	8.00	-	
	<b>Total</b>	<b>10</b>	<b>8.00</b>	<b>2.00</b>	No open positions to consider
			80%	20%	

**Credit Risk Operations**

EMT Emp [REDACTED]		<b>FTE</b>	<b>% NEPM</b>	<b>% FPL</b>	
EMT Emp [REDACTED]	EMT employees	4	2.00	2.00	50%
EMT Emp [REDACTED]	FPLE employees	11	11.00	-	50%
EMT Emp [REDACTED]	<b>Total</b>	<b>15</b>	<b>13.00</b>	<b>2.00</b>	Total includes Jessica Horan
			87%	13%	

**VP Risk Management**

Direct Reports & Management

		<b>FTE</b>	<b>% NEPM</b>	<b>% FPL</b>
VP Risk Mgmt	[REDACTED]	1	0.92	0.08
Assistant	[REDACTED]	1	0.92	0.08
Manager Structured Credit Risk - Juno (1)	[REDACTED]	1	1.00	-
Director Credit Risk - Juno (1)	[REDACTED]	1	0.80	0.20
Director of Credit Risk - Juno (1)	[REDACTED]	1	0.80	0.20
Sr Director Risk Operations & Credit	[REDACTED]	1	0.80	0.20
Manager Risk Operations -Juno (1)	[REDACTED]	1	0.85	0.15
Sr Director of Risk Operations - Houston	[REDACTED]	1	1.00	-
Sr Director of Market Risk	[REDACTED]	1	0.95	0.05
Director Market Risk Operations	[REDACTED]	1	0.95	0.05
Manager of Market Risk	[REDACTED]	1	1.00	-
Director Credit Risk - Houston (1)	[REDACTED]	1	1.00	-
Manager of Compliance	[REDACTED]	1	0.90	0.10
Director of Retail Risk Management (GEXA)	[REDACTED]	1	1.00	-
		<b>14</b>	<b>12.89</b>	<b>1.11</b>
			92%	8%

(1) Reports to Sr Director of Risk Operations

Credit includes all employees (Juno & Houston) since credit is allocated across entities  
Risk only includes Juno since the responsibilities are separate between Juno & Houston offices.

Employee names have been redacted from the file titled "Risk Cost Allocation 2010-2011 VP and Directors.xls" in order to protect the privacy of the individual employees. The information in the file on the employees' positions remains accessible, and the employees' names are not relevant to the allocation process.

Employee names have been redacted from the file titled "Systems time allocation 2010-2011.xls" in order to protect the privacy of the individual employees. The employees' names are not relevant to the allocation process. Each line item listed on this file represents a separate employee in Energy Marketing & Trading, and is identified with the numbers 1 through 17 to facilitate references to the line items.

FPL  
 Energy Marketing & Trading  
 Systems Time Allocation  
 2010 - 2011

	2010 - 2011					
	50% FPL	50% NextEra	20% FPL	80% NextEra	5% FPL	95% NextEra
1	x					
2	x	x			x	x
3						
4	x	x				
5	x	x			x	x
6						
7			x	x		
8			x			
9	x	x				
10	x	x				
11	x	x				
12						
13			x		x	x
14	x	x				
15	x	x	x			
16	x	x				
17	x	x				

**98**

**FPL's Responses to Pinecrest's  
First Set of Interrogatories,  
(Nos. 4-7)**

**Q.**

Please indicate the source and amount of all CIAC, and the purpose of each contribution, for the period beginning January 1, 2007 through the present date. Where the purpose of a contribution is for the construction or relocation of transmission or distribution facilities, please indicate whether the contribution is made for the purpose of placing facilities underground.

**A.**

FPL objects to providing details on the requested CIAC amounts as to whether or not the contribution was made for the purpose of placing facilities underground. FPL's accounting records do not separately identify CIAC that relates to placing facilities underground. Therefore, obtaining this information would require an enormous amount of time to review thousands of transactions, all of which is irrelevant to FPL's current base rate proceeding.

Pursuant to FPL's objections to Pinecrest's First Set of Interrogatories and First Request for Production of Documents filed July 18, 2012, and without waiver of such objections, see Attachment No. 1 for all CIAC received by FPL from January 1, 2007 through June 30, 2012. The amounts are segregated between operations and maintenance expense and capital, and for those capital contributions received from customers, segregated by utility account.

CIAC Received January 1, 2007 - June 30, 2012

Account	Year ended 31, 2007	Year ended December 31, 2008	Year ended December 31, 2009	Year ended December 31, 2010	Year ended December 31, 2011	Six Months ended June 30, 2012	Total CIAC Received from January 1, 2007 - March 31, 2012
<b>Amounts recorded to Operations &amp; Maintenance Expense</b>							
Operations and Maintenance Expense	(7,060,110.83)	(6,116,772.95)	(4,281,874.28)	(5,089,398.71)	(4,578,611.09)	(2,040,694.95)	\$(29,167,462.81)
<b>Total Operations and Maintenance Expense</b>	<b>(7,060,110.83)</b>	<b>(6,116,772.95)</b>	<b>(4,281,874.28)</b>	<b>(5,089,398.71)</b>	<b>(4,578,611.09)</b>	<b>(2,040,694.95)</b>	<b>\$(29,167,462.81)</b>
<b>Amounts recorded to Capital by Utility Account</b>							
35010 - Land	-	(1,096,389.92)	-	-	-	-	\$(1,096,389.92)
35020 - Land Rights - Easements	-	-	-	-	-	-	-
35200 - Structures & Improvements	-	-	-	-	-	(1,321,785.80)	\$(1,321,785.80)
35300 - Station Equipment	-	(136,161.39)	(343,482.23)	(3,272,812.96)	(6,121,754.13)	(9,376,388.27)	\$(19,250,598.98)
35310 - Station Equip-Gen Step-Ups	-	-	-	-	-	-	-
35400 - Towers & Fixtures	(993,389.50)	-	-	(328,000.00)	(328,000.00)	328,000.00	\$(993,389.50)
35500 - Poles & Fixtures	987,378.98	-	(195,380.06)	(703,153.42)	(924,784.27)	401,000.00	\$(434,938.77)
35600 - Overhead Cond & Devices	(223,787.62)	-	(115,447.35)	(326,056.69)	53,546.19	401,000.00	\$(210,745.47)
35700 - Underground Conduit	-	-	-	-	-	(104,432.16)	\$(104,432.16)
35800 - Underground Conduct&Devices	-	-	-	-	-	-	-
35900 - Roads & Trails	-	-	-	-	-	-	-
36000 - Land & Land Rights	-	-	-	-	-	-	-
36100 - Structures & Improvements	-	(25,977.10)	(1,365,328.83)	(10,801.31)	(110,533.70)	(85,577.18)	\$(232,889.29)
36200 - Station Equipment	-	-	-	(3,360,825.29)	(25,348,204.95)	(12,861,845.71)	\$(42,936,204.78)
36290 - Substation Equip - LMS	-	-	-	-	-	-	-
36300 - Storage Battery Equipment	-	-	-	-	-	-	-
36400 - Poles, Towers & Fixtures	(3,745,126.18)	(3,703,554.90)	(2,834,864.60)	(3,537,574.39)	(3,658,441.70)	(1,191,148.56)	\$(18,670,710.33)
36500 - Overhead Cond & Devices	(3,349,378.23)	(3,081,884.49)	(2,214,339.45)	(11,236,944.39)	(5,544,743.74)	(3,283,896.69)	\$(28,711,786.99)
36660 - Underground Conduit (Duct Sys)	(9,796,384.57)	(8,792,906.63)	(9,936,311.32)	(6,279,768.14)	(9,784,813.60)	(7,061,414.66)	\$(51,651,598.92)
36670 - Underground Conduit (Direct Buried)	(4,001,636.60)	(1,220,413.42)	(416,449.90)	(282,725.19)	(318,239.20)	(141,295.96)	\$(6,380,760.27)
36700 - Underground Conductors & Devices	(504.00)	(469.58)	-	-	-	-	\$(973.58)
36750 - Underground Cond & Device - 20+Yrs	-	(1,981.86)	-	-	-	-	\$(1,981.86)
36760 - Underground Cond & Device (Duct Sys)	(26,193,827.94)	(23,394,048.07)	(13,737,816.25)	(10,338,490.61)	(13,768,608.24)	(9,193,250.22)	\$(96,626,031.33)
36770 - Underground Cond & Device (Direct)	(1,788,824.91)	(1,987,137.61)	(1,628,368.10)	(864,808.57)	(463,983.89)	(94,227.03)	\$(6,827,350.11)
36790 - Underground Cond & Device - 10Yr	(1,153.69)	-	-	-	-	-	\$(1,153.69)
36800 - Line Transformers	(16,367.63)	(55,498.36)	10,014.13	(39,678.12)	(1,704,883.10)	(2,414,345.69)	\$(4,220,758.77)
36900 - Services	-	-	-	-	-	-	-
36910 - Services, Overhead	3,439.62	(32,541.22)	(29,154.98)	(23,762.35)	(48,294.67)	(18,892.59)	\$(149,216.19)
36920 - Services, Overhead (Lashed)	(415.75)	(917.79)	415.75	-	-	-	\$(917.79)
36960 - Services, Underground (In Duct)	(3,034,596.36)	(2,334,942.85)	(4,495,117.30)	(1,776,499.09)	(1,655,794.64)	(991,313.92)	\$(11,292,264.16)
36970 - Services, Underground (Buried)	(265.52)	-	-	-	0.02	-	\$(265.50)
37000 - Meters	(8,335.86)	(31,066.98)	(19,099.38)	(20,910.46)	(21,181.70)	(34,176.86)	\$(134,773.24)
37010 - Meters-AMR	-	-	-	(15,363,791.03)	(17,399,118.68)	(9,236,166.71)	\$(41,999,076.42)
37100 - Installations On Cust Prem	(13,200.81)	(8,612.96)	(10,308.93)	(3,947.79)	(30,902.14)	(2,412.11)	\$(49,384.74)
37120 - Residential Load Management	-	-	-	-	-	-	-
37900 - Street Lights & Signal Sys	(862,685.19)	(643,908.47)	(368,340.13)	(404,842.45)	(845,864.64)	(239,731.43)	\$(3,365,372.31)
<b>Total Capital</b>	<b>(53,039,661.76)</b>	<b>(46,522,438.50)</b>	<b>(34,729,366.03)</b>	<b>(57,847,382.25)</b>	<b>(88,004,600.78)</b>	<b>(56,522,301.55)</b>	<b>\$(336,665,750.87)</b>
<b>Grand Total</b>	<b>\$(60,099,772.59)</b>	<b>\$(52,639,211.45)</b>	<b>\$(39,011,240.31)</b>	<b>\$(62,936,780.96)</b>	<b>\$(92,583,211.87)</b>	<b>\$(58,562,996.50)</b>	<b>\$(365,833,213.68)</b>

**Florida Power & Light Company**  
**Docket No. 120015-EI**  
**Pinecrest's First Set of Interrogatories**  
**Interrogatory No. 5**  
**Page 1 of 1**

**Q.**

Please describe FPL's method of charging overhead to customers contributing capital for capital projects, including a description of what items are included in overhead for such projects and the allocation percentage for each item of overhead. If FPL utilizes different methodologies applicable to different project types, please explain each methodology and why a different methodology is utilized.

**A.**

FPL charges overhead to all capital projects, regardless of whether the customer is contributing capital for the work to be performed. The chart below lists the overheads that are applied to capital jobs by sector (Federal, State, County/Municipal, and Private Citizen/Contractor), along with the rates used in the test year. The Supervision and Support Loading Rate is charged to Federal jobs in accordance with Title 23, Section 645.117 of the Code of Federal Regulations, which allows for all indirect construction costs to be allocated to the job and subject to Federal reimbursement.

Capital Overheads	Project Type				Rates
	Federal	State	County/Municipal	Private	
Administrative & General Payroll	Yes	Yes	Yes	Yes	9.79
Administrative & General Expense	Yes	Yes	Yes	Yes	6.89
Pension, Welfare, Taxes and Insurance	Yes	Yes	Yes	Yes	
- Funded Welfare - FPL Utility					15.68
- Unfunded Service Cost					5.95
- Unfunded Benefits Cost					-7.71
- Payroll Taxes - FPL Utility					5.85
- External Workers Compensation					0.74
- Performance Incentive	Yes	Yes	Yes	Yes	13.21
Non-Productive Payroll Rate	Yes	Yes	Yes	Yes	23.35
Supervision and Support Loading Rate	Yes	No	No	No	Varies
Store Loading Rates	Yes	Yes	Yes	Yes	Varies
Engineering Overheads	Yes	Yes	Yes	Yes	Varies

Refer to Attachment No. 1 for a description of each of the overheads applied.



## LOADING RATE DEVELOPMENT PROCESSES

### Pension, Welfare, Taxes and Insurance

PWTI is an acronym for Pension, Welfare, Payroll Taxes and Workers Compensation Insurance.

Pension & Welfare – Recovers company dollars budgeted for current year for expenses related to life, medical and dental insurance, thrift plan, and long term disability benefits. Also pension, retiree medical, employee education assistance and benefit costs.

Calculation of rates:

- Funded pension and welfare costs are accumulated by work breakdown structure (WBS) in SAP. The total expense for Funded Pension & Welfare is divided by total payroll base (accounts 5260000 and 599XXX) to get to the overhead rate component for Funded Welfare.
- The overhead rate component for Unfunded Service Costs is calculated by dividing the sum of total pension service costs, retiree medical service costs and post-employment benefit costs (each accumulated in a separate WBS) by the total payroll base.
- The overhead rate component for Unfunded Benefits Costs is calculated by dividing the sum of the pension credit and the retiree medical costs (each accumulated in a separate WBS) by the total payroll base.

Taxes & Insurance – Recovers estimated company payments for social security, Medicare, state & federal unemployment and workers compensation insurance. Information is obtained from the Payroll Department and is based on wage type.

Calculation of rates:

#### 1. Current Year FICA Rate and Amount

The Current Year FICA Rate is set to equal the Prior year's effective rate. However, the mechanics of the PWTI summary sheet require that a FICA amount be input. Formulas for both are shown below.

- a. Prior Year Effective FICA Rate = the sum of Medicare Taxes and Social Security Taxes divided by Gross Payroll (Example:  $\$13,022,484 + \$45,309,936 \div \$888,944,685 = 6.56\%$ ).
- b. Current Year FICA Amount = Prior Year Effective FICA Rate multiplied by Budgeted Payroll for the New Year (Example:  $6.56\% \times \$851,050,397 = \$55,845,611$ ).

#### 2. Current Year FUTA Amount and Rate

The Current Year FUTA amount is calculated by computing a "People Count" (effective number of employees subject to the maximum tax during the year) for the prior year and then multiplying that number by the Statutory Base Tax amount and then by the Statutory Tax Rate for the new year. The mechanics of the PWTI summary sheet require that a FUTA amount be input. Formulas for both are shown below.

- a. Prior Year "People Count" = Unemployment Limited Base Wages divided by the Statutory Wage Maximum (Example:  $\$79,553,320 \div \$7,000 = 11,365$ ).
- b. Current Year FUTA Amount = the Prior Year "People Count" multiplied by the Statutory Base Tax amount and the Statutory Tax Rate for the new year (Example:  $11,365 \times \$7,000 \times 0.80\% = \sim \$636,427$ ).
- c. Current Year FUTA Rate = Current Year FUTA Amount divided by Budgeted Payroll for the New Year (Example:  $\$636,427 \div \$851,050,397 = 0.07\%$ ).

### 3. Current Year SUTA Amount and Rate

The Current Year SUTA amount is calculated by computing a "People Count" (effective number of employees subject to the maximum tax during the year) for the prior year and then multiplying that number by the Statutory Base Tax amount and then by the Statutory Tax Rate for the new year. The mechanics of the PWTI summary sheet require that a SUTA amount be input. Formulas for both are shown below.

- a. Prior Year "People Count" = Unemployment Limited Base Wages divided by the Statutory Wage Maximum (Example:  $\$79,566,244 \div \$7,000 = 11,367$ ).
- b. Current Year SUTA Amount = the Prior Year "People Count" multiplied by the Statutory Base Tax amount and the Statutory Tax Rate for the new year (Example:  $11,367 \times \$7,000 \times 2.70\% = \sim \$2,148,289$ ).
- c. Current Year SUTA Rate = Current Year SUTA Amount divided by Budgeted Payroll for the New Year (Example:  $\$2,148,289 \div \$851,050,397 = 0.25\%$ ).

### 4. Current Year Workers Compensation Amount and Rate

The Current Year Workers Compensation amount equals the Budgeted amount. The mechanics of the PWTI summary sheet require that a Workers Compensation amount be input. Formula for the rate is shown below.

- a. Current Year Workers Compensation Rate = Budgeted Current Year Workers Compensation Amount divided by Budgeted Payroll for the New Year (Example:  $\$9,320,753 \div \$851,050,397 = 1.10\%$ ).

**Performance Incentive**

Recovers the cost on the budgeted performance incentive for exempt employees. It is calculated by dividing the exempt incentive estimate by the exempt employee payroll, excluding executive compensation.

**Non-Productive Payroll Rate**

Non-Productive time is applied to FPL payroll in accordance with the PSC rule that charges to affiliates must be at the higher of cost or market. To achieve this, FPL charges fully loaded costs, which include the cost of non-productive time, such as vacation, sick time, and other excused absences plus non-distributed (other earnings) such as relieving time, shift differential, and merit pay. Employees whose time is recorded on daily time reports have their non-productive/non-distributed rate charged directly to the same work order and O&M accounts as indicated on their time sheets. The non-productive rate is calculated based on wage type from information received from the payroll department, and is applied to both straight time and overtime. Non-Productive time is a component of the overall Administrative & General (A&G) overhead loading rate applied to productive FPL employee payroll dollars. The rate is reviewed and updated annually.

**Administrative & General Payroll (A&G Rate)**

Recovers the O&M payroll of corporate center staff and business unit staff. Corporate Center staff includes Corporate Communications, Finance, General Counsel, Human Resources, Information Management, Internal Audit, QPA, Regulatory Affairs, and Resource Assessment. Business Unit staff includes Retail, Power Systems, EMT, Nuclear, and Power Generation.

The Corporate A&G rate is calculated by determining the actual corporate O&M payroll divided by total company payroll less corporate O&M payroll plus contractor payments.

This rate is applied to direct payroll, non-productive payroll, applied engineering, and contractor payments.

The business units are requested to identify their staff groups. The business payroll rate is calculated by dividing the business unit staff O&M payroll by total business unit payroll less business unit staff payroll plus business unit contractor payments.

**Administrative & General Expenses (A&G Rate)**

Recovers the O&M expenses of Corporate Center and Business Unit staff. Costs relating to the General Office and Juno buildings such as property taxes, property insurance,

electricity, depreciation, and return on investment. Also includes amortization and return on investment relating to capitalized corporate software such as SAP.

Corporate Center staff includes Corporate Communications, Finance, General Counsel, Human Resources, Information Management, Internal Audit, QPA, Regulatory Affairs, and Resource Assessment. Business Unit staff includes Retail, Power Systems, EMT, Nuclear, and Power Generation.

The Corporate A&G expense rate is calculated by taking the actual corporate O&M expenses plus associated corporate costs divided by total company payroll less corporate payroll plus contractor payments.

The business units are requested to identify their staff groups. The business expense rate is calculated by dividing the business unit staff O&M expenses by total business unit payroll less business unit staff payroll plus business unit contractor payments.

**Supervision and Support Loading Rate**

Supervision and support time is applied to FPL payroll in accordance with the PSC rule that charges to affiliates must be at the higher of cost or market. To achieve this, FPL charges fully loaded costs, which include the cost of supervision and support time. In this case supervision and support time is a component of the overall Administrative & General (A&G) overhead loading rate applied to productive FPL employee payroll dollars. Supervision and support payroll related costs applied to productive payroll and charged to FPL affiliates or third parties. The total hourly payroll rates of the applicable business unit's exempt personnel are divided by the total hourly rates of the same business unit's line personnel (crews) to determine the supervisory rate. The total hourly rate of the business unit's non-exempt personnel are divided by the business unit's line personnel (crews) to determine the support rate.

**Store Loading Rates**

Stores Loading recovers the stores expense as well as the cost of truck stock for distribution jobs. Stores Expense consists of the cost to operate the various Storerooms. The Stores Expense is then allocated to all work orders receiving Materials & Supplies (M & S) charges out of the storerooms. The allocation is on a year-to-date (Y-T-D) basis to the eligible Y-T-D M & S base.

Calculation of rate:

$$\frac{\text{Y-T-D Stores Expense}}{\text{Y-T-D M \& S issues}} = \text{Rate}$$

**Numerator calculation:**

YTD Stores Expenses

**Denominator calculation:**

YTD M & S issues = Operating Budget M & S Corrections & Adjustments **plus** Issues **plus** absolute value of Returns **plus** absolute value of Salvage.

**Engineering Overhead**

The Engineering Overhead ("EO") pool was designed to capture the labor and other costs associated with the design, engineering and support of capital jobs. For transmission and distribution jobs, engineers and other support staff do not directly charge individual jobs; rather their costs are tracked in an EO pool and allocated to all capital jobs on a monthly basis.

**Calculation:** To calculate the rate, divide the total dollars in the EO cost pool by the sum of the eligible base (total capital and removal costs). This will give you the ratio, or rate, of dollars in the cost pool to dollars in the total eligible base. This rate is then multiplied by each individual job eligible base to allocate the dollars in the cost pool to the eligible jobs.

For example: EO cost pool 1 has \$100,000 in engineering charges at the end of the month. The sum of the eligible bases of all jobs that receive engineering overhead from EO cost pool 1 is \$1,000,000.

Cost for Allocation/Sum of Total Eligible Base = Rate  
 $\$100,000/\$1,000,000 = 0.10$  or 10%

**Application:** Engineering overhead uses a year to date concept. This means that each month the prior months applied engineering charge is reversed, the eligible base is recalculated (to account for new charges, if any), the new rate is calculated and then the current month's engineering overhead application is made.

**Florida Power & Light Company  
Docket No. 120015-EI  
Pinecrest's First Set of Interrogatories  
Interrogatory No. 6  
Page 1 of 1**

**Q.**

Are customer contributions excluded from rate base and from operating expense?

**A.**

Yes. Customer contributions are reflected as an offset to plant-in-service and/or operating expenses, depending on the nature of the activity requested by the customer.

**Q.**

For each FPL employee providing public relations, communications, external affairs or lobbying services, please indicate the total salary and overhead for said employee, indicate the percentage and amount of said salary and overhead attributable to activities related to public relations, communications, external affairs or lobbying, and indicate the amount of salary and overhead for each employee attributable to said activities for which FPL is seeking recovery in customer rates and charges. If any of said salaries and overheads that are attributable to any of said activities is recovered in customer rates and charges, please explain why FPL should be allowed to recover such costs from customers.

**A.**

FPL's revenue requirements appropriately include the costs of communicating essential information via mail, web and other channels to FPL's 4.6 million customers and 10,000 employees. These costs, including salaries, materials and other overhead costs, total \$6,779,101 during the test year. Additionally, FPL appropriately seeks to include the costs of employing professionals who are responsive to the expectations and needs of local government leaders and community interests. These salaries and overhead costs total \$5,021,694 during the test year.

**99**

**FPL's Responses to Hendrick's  
First Set of Interrogatories,  
(Nos. 1-5)**



**Q.**

Please refer to the direct testimony of witness Avera, page 21, lines 19-20. Please explain in detail why "FPL's significant exposure to natural gas detracts from the Company's credit quality and should be considered in evaluating a fair ROE," Note that on the next page (22, lines 14-16) this witness states that "...FPL earns no return on fuel costs..." Fuel charges appear to pass through to the ratepayers most of the fuel price risks with relatively minor financial impact to the Company. In your response, please explain how you would calculate an estimate of the effects of natural gas fuel price volatility on the Company's cost of capital, given your planed risk management strategies. If possible, provide a numerical estimate of the impact of natural gas exposure on the Company's cost of capital, comparing conditions before and after the Cape Canaveral modernization project.

**A.**

As discussed in Dr. Avera's testimony at 20-21, in recent years utilities and their customers have had to contend with dramatic fluctuations in fuel costs due to ongoing price volatility in the spot markets, and investors recognize the potential for further turmoil in energy markets. In times of extreme volatility, utilities can quickly find themselves in a significant under-recovery position with respect to power costs, which can severely stress liquidity. Moody's recently concluded that, "Should fuel and commodity costs rise, utilities will face growing underfunded fuel balances or potential rate shock issues when they seek to recover the higher costs. Liquidity profiles could become strained." Moody's Investors Service, "US Regulated Electric and Gas Utilities: Stable Despite Rising Headline Rhetoric," *Industry Outlook* (Jan. 17, 2012). As a result, investors recognize that exposure to volatile fuel costs detracts from credit quality and is one consideration in establishing a fair ROE for FPL.

Dr. Avera has not conducted any studies or analyses to quantify the impact of exposure to fuel cost volatility on FPL's cost of capital; nor was such a study necessary to support his opinions and recommendations in this case. Moreover, because the cost of equity is unobservable and can only be estimated, it is generally not possible to precisely quantify the impact of individual risk factors on investors' required rate of return.

**Q.**

Please refer to the direct testimony of witness Avera on page 22, lines 12-14, where he states that "... despite the significant investment of resources to manage fuel procurement, investors are aware that the best FPL can do is to recover its actual costs." Please explain, and quantify if possible, the financial and other incentives that currently motivate Company efforts to manage fuel costs. Comment on the adequacy of these incentives for the operating environment that you expect in the next 5 to 10 years. Consider if they are likely to provide reasonable incentives to encourage economically efficient use of various risk management strategies, which might include financial hedging, long-term fuel supply contracts (including take or pay), and building, investing in or contracting for additional natural gas pipelines and capacity enhancements (including alternative routes) to supply the FPL territory.

**A.**

Dr. Avera's testimony that investors recognize the complexities faced by FPL in managing fuel procurement, including ongoing exposure to potential disallowances, was not based on any detailed studies or analyses to review FPL's fuel procurement and management activities; nor were such studies necessary to support his evaluation and recommendations.

**Q.**

Please refer to the direct testimony of witness Avera on page 83, lines 11-20, where he asserts that the capital structure of a utility is relevant in assessing its return on equity. Exhibit WEA-15 describes the capital structure of "Electric Utility Operating Cos.", but does not provide the allowed ROE or the yield on Long-term Debt for these entities, which are required to understand the relationship of their cost of capital to the ROE and capital structure proposed for FPL. ROE and Yield data at the holding company level is not an adequate substitute for operating company data. Please provide the allowed ROE and Long-term Debt Yield data for these Electric Utility Operating Companies and for FPL at the same time period, using comparable assumptions.

**A.**

As discussed in Dr. Avera's testimony at page 33, the accepted approach to estimate the cost of equity is to apply quantitative methods to a proxy group of risk comparable, publicly traded companies. The electric utility operating companies included on Exhibit WEA-15 do not have publicly traded common stock and do not raise equity capital directly in the financial markets. As a result, it is not possible to estimate investors' required ROE directly for these companies. Rather, Dr. Avera developed cost of equity estimate for the holding companies, because these are the entities that actually raise common equity capital from investors. As a result, his analyses are directly relevant to the issue of a fair ROE as it relates to the underlying capital structures of these other operating utilities.

Dr. Avera has not compiled data regarding the allowed ROEs or embedded debt costs of the individual electric utility operating companies listed in Exhibit WEA-15, as this information was not necessary to support his analyses and conclusions. To the extent it is available, this information may be obtained from the Form 10-K reports filed with the Securities and Exchange Commission, which are publicly available at:

<http://www.sec.gov/edgar/searchedgar/companysearch.html><http://www.sec.gov/edgar/searchedgar/companysearch.html>

**Q.**

Exhibit WEA-11, Page 3 provides time series data for Allowed ROE, Average Utility Bond Yield, and Risk Premium for the U.S. Electric Utilities industry in the period 1974-2011. Please provide company specific yearly time series data on these metrics, over the same period using comparable assumptions, for FPL and each of the individual Utility Operating Companies that are listed in Exhibit WEA-15. Many of these operating companies have a substantial history, but it is recognized that there will be blank cells where an operating company or its obvious predecessor has not been in operation during all of this time period.

**A.**

Dr. Avera has not conducted any research study to compile allowed ROEs at the operating company level; nor does he have the information in his possession necessary to develop the requested calculations. Rather, as explained in his direct testimony (p. 65), he relied on average allowed ROEs computed and reported on a consistent basis by an objective third party source that is recognized in the utility industry and has been widely cited in regulatory proceedings.

**Florida Power & Light Company  
Docket No. 120015-EI  
Hendricks' First Set of Interrogatories  
Interrogatory No. 5  
Page 1 of 1**

**Q.**

Please refer to the direct testimony of witness Dewhurst on page 40, lines 16-22, where he recommends that an equity ratio of 59.6% based on investor sources be approved, as it is consistent with FPL's practice for many years and with the ratio approved by the Commission in 2010. Exhibit Schedule D-2 provides a Five Year History of the FPL and Parent Company Cost of Capital by Class. Please extend the yearly data as shown in Schedule D-2 back at least to 1990 to provide a more complete perspective on the history of FPL and the parent's capital structure and costs.

**A.**

Please see Attachment Nos. 1 and 2. Attachment No. 1 is MFR D-2 that was provided in the 2009 FPL rate case, and Attachment No. 2 is from the 2005 FPL rate case. The data goes back to 2002. FPL was not required to file MFR D-2 prior to the 2005 FPL rate case.

Schedule D-2 COST OF CAPITAL - 5 YEAR HISTORY

EXPLANATION: For the subject Florida utility, all other regulated utility operations combined, all non-regulated operations combined, the parent company, and on a consolidated basis, provide the year-end capital structure for investor capital (i.e. common equity, preferred stock, long-term debt, and short-term debt) for the five years through the end of the projected test year.

Type of Data Shown:  
 Projected Test Year Ended 12/31/10  
 Prior Year Ended 12/31/09  
 Historical Test Year Ended 12/31/08  
Witness: Armando Pimentel

Line No.	Class of Capital	(2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)		(10)		(11)	
		Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total
1	Florida Utility (Florida Power & Light Company and Subsidiaries) <sup>(1)</sup>																				
2	Common Equity	7,539,303	60.9%	7,275,308	54.6%	8,089,654	56.0%	8,648,116	55.2%	9,559,882	53.8%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
3	Preferred Stock	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
4	Long-Term Debt	4,213,715	34.0%	5,216,622	39.1%	5,574,297	38.6%	6,312,418	40.3%	7,670,689	43.1%	6,312,418	40.3%	7,670,689	43.1%	7,670,689	43.1%	7,670,689	43.1%	7,670,689	43.1%
5	Short-Term Debt	630,100	5.1%	842,300	6.3%	772,934	5.4%	710,087	4.5%	549,207	3.1%	710,087	4.5%	549,207	3.1%	549,207	3.1%	549,207	3.1%	549,207	3.1%
6	Total	12,383,118	100.0%	13,334,230	100.0%	14,436,885	100.0%	15,670,621	100.0%	17,779,778	100.0%	15,670,621	100.0%	17,779,778	100.0%	15,670,621	100.0%	17,779,778	100.0%	15,670,621	100.0%
7	Other Regulated Utility Operations (None)																				
8	Non-Regulated Operations Combined (FPL Group Capital) <sup>(2)</sup>																				
9	Common Equity	2,353,195	23.9%	3,198,252	29.5%	3,421,351	24.2%	3,421,351	24.2%	3,421,351	24.2%	3,421,351	24.2%	3,421,351	24.2%	3,421,351	24.2%	3,421,351	24.2%	3,421,351	24.2%
10	Preferred Stock	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
11	Long-Term Debt	7,024,803	71.4%	7,464,792	68.9%	9,646,809	68.1%	9,646,809	68.1%	9,646,809	68.1%	9,646,809	68.1%	9,646,809	68.1%	9,646,809	68.1%	9,646,809	68.1%	9,646,809	68.1%
12	Short-Term Debt	467,000	4.7%	175,000	1.6%	1,092,477	7.7%	1,092,477	7.7%	1,092,477	7.7%	1,092,477	7.7%	1,092,477	7.7%	1,092,477	7.7%	1,092,477	7.7%	1,092,477	7.7%
13	Total	9,844,998	100.0%	10,838,044	100.0%	14,160,637	100.0%	14,160,637	100.0%	14,160,637	100.0%	14,160,637	100.0%	14,160,637	100.0%	14,160,637	100.0%	14,160,637	100.0%	14,160,637	100.0%
14	Parent Company (FPL Group) <sup>(3)</sup>																				
15	Common Equity	9,927,115	100.0%	10,734,625	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%
16	Preferred Stock	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
17	Long-Term Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
18	Short-Term Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
19	Total	9,927,115	100.0%	10,734,625	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%	11,677,791	100.0%
20	Eliminations																				
21	Common Equity	(9,892,499)	100.0%	(10,473,560)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%
22	Preferred Stock	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
23	Long-Term Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
24	Short-Term Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
25	Total	(9,892,499)	100.0%	(10,473,560)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%	(11,507,998)	100.0%
26	Consolidated Basis (FPL Group Consolidated) <sup>(1)(2)(3)</sup>																				
27	Common Equity	9,927,114	44.6%	10,734,625	43.9%	11,680,798	40.6%	11,680,798	40.6%	11,680,798	40.6%	11,680,798	40.6%	11,680,798	40.6%	11,680,798	40.6%	11,680,798	40.6%	11,680,798	40.6%
28	Preferred Stock	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
29	Long-Term Debt	11,238,518	50.5%	12,681,414	51.9%	15,221,106	52.9%	15,221,106	52.9%	15,221,106	52.9%	15,221,106	52.9%	15,221,106	52.9%	15,221,106	52.9%	15,221,106	52.9%	15,221,106	52.9%
30	Short-Term Debt	1,097,100	4.9%	1,017,300	4.2%	1,865,411	6.5%	1,865,411	6.5%	1,865,411	6.5%	1,865,411	6.5%	1,865,411	6.5%	1,865,411	6.5%	1,865,411	6.5%	1,865,411	6.5%
31	Total	22,262,732	100.0%	24,433,339	100.0%	28,767,315	100.0%	28,767,315	100.0%	28,767,315	100.0%	28,767,315	100.0%	28,767,315	100.0%	28,767,315	100.0%	28,767,315	100.0%	28,767,315	100.0%

<sup>(1)</sup> Excludes impact of off-balance sheet adjustments evaluated by credit rating agencies when evaluating financial strength.  
<sup>(2)</sup> Includes project level financings which excluded from debt by the credit rating agencies when evaluating financial position.  
<sup>(3)</sup> Does not reflect equity credit given by rating agencies for hybrid equity securities.

EXPLANATION:  
For the subject Florida utility, all other regulated utility operations combined, all non-regulated operations combined, the parent company, and on a consolidated basis, provide the year-end capital structure for investor capital (i.e. common equity, preferred stock, long-term debt, and short-term debt) for the five years through the end of the projected test year.

Type of Data Shown:  
X - Projected Test Year Ended 12/31/06  
X - Prior Year Ended 12/31/05  
X - Historic Test Year Ended 12/31/04  
Witness: Moray P. Dewhurst

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES

DOCKET NO. 050045-EI

Line No.	Class of Capital	(1)		(2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)		(10)		(11)		
		Actual Year 2002	Actual Year 2003	Actual Year 2004	Actual Year 2005	Actual Year 2006	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	Amount (\$000)	Percent of Total	
1	Florida Utility (Florida Power & Light Company and Subsidiaries) <sup>(1)</sup>																							
2	Common Equity	5,384,760	6,004,028	6,150,021	6,511,514	61.6%	6,150,021	61.6%	6,511,514	62.1%	6,575,139	59.1%	6,575,139	62.1%	6,575,139	59.1%	6,575,139	62.1%	6,575,139	62.1%	6,575,139	59.1%	6,575,139	59.1%
3	Preferred Stock	226,250	5,000	25,000	0	0.1%	25,000	0.3%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
4	Long-Term Debt	2,433,675	3,073,592	3,311,282	3,914,888	27.8%	3,311,282	31.9%	3,311,282	31.8%	3,914,888	37.4%	3,914,888	37.4%	4,515,980	40.6%	4,515,980	37.4%	4,515,980	37.4%	4,515,980	40.6%	4,515,980	40.6%
5	Short-Term Debt	722,200	630,300	491,600	52,535	8.2%	491,600	6.5%	491,600	4.9%	52,535	0.5%	36,746	0.5%	36,746	0.3%	36,746	0.5%	36,746	0.5%	36,746	0.3%	36,746	0.3%
6	Total	8,763,885	9,712,920	9,977,903	10,478,947	100.0%	9,977,903	100.0%	9,977,903	100.0%	10,478,947	100.0%	11,127,865	100.0%	11,127,865	100.0%	11,127,865	100.0%	11,127,865	100.0%	11,127,865	100.0%	11,127,865	100.0%
7	Other Regulated Utility Operations (None)																							
8	Non-Regulated Operations Combined (FPL Group Capital) <sup>(2)</sup>																							
9	Common Equity	839,264	1,213,853	1,524,244	0	14.5%	1,213,853	18.1%	1,524,244	18.1%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
10	Preferred Stock	0	0	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
11	Long-Term Debt	3,461,339	6,015,962	5,936,380	7,460,824	59.9%	6,015,962	80.0%	5,936,380	80.0%	7,460,824	79.6%	7,460,824	79.6%	7,460,824	79.6%	7,460,824	79.6%	7,460,824	79.6%	7,460,824	79.6%	7,460,824	79.6%
12	Short-Term Debt	1,474,700	289,926	0	0	25.5%	289,926	3.9%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
13	Total	5,775,303	7,519,741	7,519,741	7,536,350	100.0%	7,519,741	100.0%	7,519,741	100.0%	7,536,350	100.0%	7,536,350	100.0%	7,536,350	100.0%	7,536,350	100.0%	7,536,350	100.0%	7,536,350	100.0%	7,536,350	100.0%
14	Parent Company (FPL Group) <sup>(3)</sup>																							
15	Common Equity	6,389,602	6,967,422	7,536,350	0	100.0%	6,967,422	100.0%	7,536,350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
16	Preferred Stock	0	0	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
17	Long-Term Debt	0	0	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
18	Short-Term Debt	0	0	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
19	Total	6,389,602	6,967,422	7,536,350	0	100.0%	6,967,422	100.0%	7,536,350	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
20	Eliminations																							
21	Common Equity	(6,221,024)	(7,217,881)	(7,674,265)	(7,684,265)	100.0%	(7,217,881)	100.0%	(7,674,265)	99.7%	(7,674,265)	99.7%	(7,674,265)	99.7%	(7,674,265)	99.7%	(7,674,265)	99.7%	(7,674,265)	99.7%	(7,674,265)	99.7%	(7,674,265)	99.7%
22	Preferred Stock	0	0	(20,000)	0	0.0%	(20,000)	0.3%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
23	Long-Term Debt	0	0	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
24	Short-Term Debt	0	0	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
25	Total	(6,221,024)	(7,217,881)	(7,674,265)	(7,684,265)	100.0%	(7,217,881)	100.0%	(7,674,265)	99.7%	(7,684,265)	99.7%	(7,684,265)	99.7%	(7,684,265)	99.7%	(7,684,265)	99.7%	(7,684,265)	99.7%	(7,684,265)	99.7%	(7,684,265)	99.7%
26	Consolidated Basis (FPL Group Consolidated) <sup>(4)</sup>																							
27	Common Equity	6,389,602	6,967,422	7,536,350	7,536,350	43.4%	6,967,422	41.0%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%
28	Preferred Stock	226,250	5,000	25,000	0	1.5%	5,000	0.0%	5,000	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
29	Long-Term Debt	5,895,014	9,089,554	9,247,862	9,247,862	40.1%	9,089,554	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%
30	Short-Term Debt	2,186,900	920,226	491,600	491,600	14.9%	920,226	5.4%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%
31	Total	14,707,766	16,982,202	17,280,612	17,280,612	100.0%	16,982,202	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%
32	Common Equity	6,389,602	6,967,422	7,536,350	7,536,350	43.4%	6,967,422	41.0%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%
33	Preferred Stock	226,250	5,000	25,000	0	1.5%	5,000	0.0%	5,000	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
34	Long-Term Debt	5,895,014	9,089,554	9,247,862	9,247,862	40.1%	9,089,554	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%
35	Short-Term Debt	2,186,900	920,226	491,600	491,600	14.9%	920,226	5.4%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%
36	Total	14,707,766	16,982,202	17,280,612	17,280,612	100.0%	16,982,202	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%
37	Eliminations																							
38	Common Equity	6,389,602	6,967,422	7,536,350	7,536,350	43.4%	6,967,422	41.0%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%	7,536,350	43.6%
39	Preferred Stock	226,250	5,000	25,000	0	1.5%	5,000	0.0%	5,000	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
40	Long-Term Debt	5,895,014	9,089,554	9,247,862	9,247,862	40.1%	9,089,554	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%	9,247,862	53.5%
41	Short-Term Debt	2,186,900	920,226	491,600	491,600	14.9%	920,226	5.4%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%	491,600	2.8%
42	Total	14,707,766	16,982,202	17,280,612	17,280,612	100.0%	16,982,202	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%	17,280,612	100.0%

<sup>(1)</sup> Excludes impact of off-balance sheet adjustments evaluated by credit rating agencies when evaluating financial strength.  
<sup>(2)</sup> Includes project level financings which excluded from debt by the credit rating agencies when evaluating financial position.  
<sup>(3)</sup> Does not reflect the substantial equity credit given by the credit rating agencies for the 2002 equity unit issuances. Equity is reflected when issued (\$575 million in 2005 and \$506 million in 2006).

**100**

**OPC's Responses to FPL's  
Second Set of Interrogatories,  
(Nos. 13-19)**



**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for rate increase by Florida  
Power & Light Company

---

Docket No: 120015-EI

Dated: July 30, 2012

**CITIZENS' ANSWERS TO FLORIDA POWER & LIGHT COMPANY'S SECOND SET  
OF INTERROGATORIES TO OFFICE OF PUBLIC COUNSEL (NOS. 4-19)**

The Citizens of the State of Florida, through the Florida Office of Public Counsel ("OPC") hereby submit their answers to Florida Power & Light Company's Second Set of Interrogatories (Nos. 4-19) to Office of Public Counsel.

All documents will be made available by OPC for inspection and review by FPL at Room 812, 111 South Madison Street, Tallahassee, Florida, during regular business hours, 8 a.m. to 5 p.m., Monday through Friday, as a mutually convenient time, upon reasonable notice of OPC's counsel.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Florida Power & Light's Second Set of Interrogatories (Nos. 4-19) dated July 18, 2012. OPC's answer is without waiver of those prior objections.

13. Regarding Witness Vondle: Please list the jurisdiction in which the alternative to the Massachusetts Formula described on page 19 of Witness Vondle's testimony has been used as a general allocator.

**ANSWER:**

Mr. Vondle did not recommend another company's or jurisdiction's general allocation formula. He recommended that one be developed specifically for FPL that is fair to the ratepayers.

14. Regarding Witness Vondle (testimony page 20): Please explain in detail how an affiliate would comply with all applicable federal financial accounting rules and yet overcharge FPL for services that it provides.

**ANSWER:**

An affiliate could charge FPL the higher of market price or fully allocated cost.

15. Regarding Witness Vondle (testimony page 30): State whether any states other than Texas and Maine require the use of commission-approved service agreements.

**ANSWER:**

Mr. Vondle did not survey other states for this engagement. Mr. Vondle did a recent project in Maine in which affiliate contracts were a topic of interest. In Mr. Vondle's experience, affiliate agreements are both a good management practice and a good regulatory practice.

16. Regarding Witness Vondle (testimony page 31): What is the market value to an affiliate of using FPL's name? As part of your answer, state how you calculated the market value.

**ANSWER:**

Mr. Vondle recommended that an independent firm be engaged to determine the market value of affiliates using the FPL name.

17. Regarding Witness Vondle (testimony pages 34-35): State how the 20% increase in charges to affiliates and 20% reduction to charges from affiliates was derived.

**ANSWER:**

It is an order of magnitude estimate based upon Mr. Vondle's experience.

18. State whether Witness Vondle has ever proposed an across-the-board percentage increase to a utility's charges to affiliates before and, if so where? As part of your answer, state whether the proposal was accepted.

**ANSWER:**

Mr. Vondle does not recall making a similar recommendation before.

19. State whether Witness Vondle has ever proposed an across-the-board percentage decrease to a utility's charges from affiliates before and, if so where? As part of your answer, state whether the proposal was accepted.

**ANSWER:**

Mr. Vondle does not recall making a similar recommendation before.

Respectfully submitted this 30<sup>th</sup> day of July, 2012.

  
Joseph A. McGlothlin  
Associate Public Counsel

Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, Florida 32399-1400

Attorney for the Citizens  
of the State of Florida

**101**

**OPC's Responses to FPL's  
Third Set of Interrogatories,  
(Nos. 20 and 22)**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for rate increase by Florida  
Power & Light Company

---

Docket No: 120015-EI

Dated: July 30, 2012

**CITIZENS' ANSWERS TO FLORIDA POWER & LIGHT COMPANY'S  
THIRD SET OF INTERROGATORIES (NOS. 20-27)**

The Citizens of the State of Florida, through the Florida Office of Public Counsel ("OPC"), hereby submit their Answers to Florida Power & Light Company's Third Set of Interrogatories (Nos. 20-27) to Office of Public Counsel.

All documents will be made available by OPC for inspection and review by FPL at Room 812, 111 South Madison Street, Tallahassee, Florida, during regular business hours, 8 a.m. to 5 p.m., Monday through Friday, as a mutually convenient time, upon reasonable notice of OPC's counsel.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Florida Power & Light's Third Set of Interrogatories (Nos. 20-27) dated July 20, 2012. OPC's answers are without waiver of those prior objections.

**INTERROGATORIES**

20. Regarding Witness Vondle: Please detail your experience with positive time reporting and state why you believe it would benefit FPL

**ANSWER:**

Mr. Vondle has conducted dozens of work management and affiliate relationship related consulting engagements. Time reporting has been an important element of each one. It is Mr. Vondle's opinion that positive time reporting is more accurate for cost accounting than exception reporting. Therefore, Mr. Vondle has recommended that FPL adopt positive time reporting for improved costing of its affiliate transactions for regulatory purposes.

Beyond the regulatory need for positive time reporting, Mr. Vondle is also of the opinion that FPL could benefit from improved work management that is enabled by positive time reporting.

22. Regarding Witness Vondle at page 19: Your testimony states that newness and growth are important cost drivers. Please explain how you would calculate such cost drivers and how you would quantify such allocation factors.

**ANSWER:**

Mr. Vondle recommends that a new general allocation formula be developed that includes appropriate elements recognizing that newness and growth are cost drivers. Examples of newness and growth indicators are the amount and year-to-year growth rate of capital expenditures and the year-to-year growth rate in revenues. There could be others.

**102**

**OPC's Responses to FPL's  
Fourth Set of Interrogatories,  
(Nos. 69-73)**



**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for rate increase by Florida  
Power & Light Company

---

Docket No: 120015-EI

Dated: July 31, 2012

**CITIZENS' ANSWERS TO FLORIDA POWER & LIGHT COMPANY'S FOURTH SET  
OF INTERROGATORIES TO OFFICE OF PUBLIC COUNSEL (NOS. 28-73)**

The Citizens of the State of Florida, through the Florida Office of Public Counsel ("OPC") hereby submit their Answers to Florida Power & Light Company's Fourth Set of Interrogatories (Nos. 28 -73) to Office of Public Counsel.

All documents will be made available by OPC for inspection and review by FPL at Room 812, 111 South Madison Street, Tallahassee, Florida, during regular business hours, 8 a.m. to 5 p.m., Monday through Friday, as a mutually Convenient Time, upon reasonable notice of OPC's counsel.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Florida Power & Light's Fourth Set of Interrogatories (Nos. 28-73) dated July 23, 2012. OPC's answers are without waiver of those prior objections.

**INTERROGATORIES**

69. Regarding OPC witness Vondle (page 9): In Mr. Vondle's experience, do single state utility operating companies typically have a service company structure?

**ANSWER:**

Much of Mr. Vondle's experience is with single state utility operating companies that are part of larger families of companies that are served by a service company. For example, Mr. Vondle recently conducted a management audit of Jersey Central Power & Light, which is part of FirstEnergy, which has multiple single state utility operating companies, unregulated subsidiaries and a service company.

70. Regarding OPC witness Vondle (page 9): Identify which single state utility operating companies have a service company structure?

**ANSWER:**

Mr. Vondle did not conduct a survey identifying all single state utility operating companies that have a service company structure. With the rise of large utility holding companies, there are now many single state utility operating companies that are part of a larger organization and are served by service companies.

71. Regarding OPC witness Vondle: Identify and describe in detail any and all instances in which Mr. Vondle has testified as an expert witness on the basis of his review of a single state public utility operating company. In your response, identify the utility company, the proceeding, on whose behalf Mr. Vondle testified, and whether such utility company employed a service company structure.

**ANSWER:**

The following table presents Mr. Vondle's responsive experience, to the best of his recollection.

<b>Utility Company</b>	<b>Proceeding</b>	<b>Client</b>	<b>Service Company Structure</b>
Glacier State Telephone Company	Rate Case, 1982, Docket Number Unknown	Alaska Attorney General	Glacier State received multiple affiliate services from several service company-like affiliates.
Pacific Gas & Electric	Financial Crisis Investigation, 2001, Docket Number Unknown	California Public Utility Commission	PG&E did not have a service company. The relationship with the holding company was an issue.
Southern Connecticut Gas	Affiliate Interests Investigation, 2000, Docket Number 99-04-18	Connecticut Department of Public Utility Control	Do not recall the specific Energy East corporate structure at the time. The SCG relationship with an unregulated affiliate was the issue studied.
Maine Public Service Company	Merger Case, 2010, Docket Number 2010-89	Maine Office of Public Advocate	This case was about a requested merger with Emera. The potential future affiliate relationships were the issue. Emera uses its Nova Scotia Power Company as a service company.
Bangor Hydro Electric and Maine Public Service Company	Reorganization Case, 2011, Docket Number 2011-170	Maine Office of Public Advocate	This case was about the requested addition of affiliates to BHE and MPS.

<b>Utility Company</b>	<b>Proceeding</b>	<b>Client</b>	<b>Service Company Structure</b>
Bay State Gas Company	Rate Case, 2009, Docket Number 09-30	Massachusetts Attorney General	Bay State is part of the NiSource family. However, this case was about its capital program, not affiliate relationships.
Public Service Company of New Mexico and the Gas Company of New Mexico	Merger Case, 1984, Docket Number 1891/2	New Mexico Attorney General	Do not recall the specific structures at the time. This case was about future affiliate relationships.
Guam Power Authority	Rate Case, 1995, Docket Number 94-001	Guam Public Utilities Commission	GPA is owned by the Guam Government. Affiliate relationships was not an issue

72. Identify any reports or documents that OPC witness Vondle reviewed other than FPL-furnished materials in connection with his engagement in this case.

**ANSWER:**

Please see OPC's answer to FPL Interrogatory 3 to OPC.

73. Identify and describe in detail any instance in which OPC Witness Vondle as a expert witness has proposed an adjustment to affiliate transaction costs in the nature of or similar to his 20% adjustment. Include in your answer an identification of the utility company in question, the proceeding, the client he represented, the basis for the specific

amount of the proposed adjustment, and whether his proposal was accepted by the regulator.

**ANSWER:**

Please see OPC's answer to FPL Interrogatories 18 and 19 to OPC.

Respectfully submitted this 31st day of July, 2012.

  
Joseph A. McGlothlin  
Associate Public Counsel

Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, Florida 32399-1400

Attorney for the Citizens  
of the State of Florida

**103**

**OPC's Responses to FPL's  
Sixth Set of Interrogatories,  
(No. 85)**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for rate increase by Florida  
Power & Light Company

---

Docket No: 120015-EI

Dated: August 7, 2012

**CITIZENS' ANSWERS TO FLORIDA POWER & LIGHT COMPANY'S  
SIXTH SET OF INTERROGATORIES (NO. 85)**

The Citizens of the State of Florida, through the Florida Office of Public Counsel ("OPC"), hereby submit their Answers to Florida Power & Light Company's Sixth Set of Interrogatories (No. 85) to Office of Public Counsel.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Florida Power & Light's Sixth Set of Interrogatories (No. 85) dated July 30, 2012. OPC's answers are without waiver of those prior objections.

**INTERROGATORIES**

85. Regarding OPC witness Vondle's testimony at page 37, please list decisions in which a Commission has required compensations for the use of the utility's name by its affiliates. As part of your answer, please specify the jurisdiction, docket number, order number or rule citation, as applicable.

**RESPONSE:**

Mr. Vondel is aware of the United Telephone v. Nichols, 546 So. 2d. 717, (1989), and Orders Nos. 18939 and 19734 in Docket No. 870285-TI. Mr. Vondle did not research other Commissions' decisions regarding compensation for the use of a utility's name by its affiliates for this case.

Respectfully submitted this 7th day of August, 2012.



Patricia A. Christensen  
Associate Public Counsel

Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, Florida 32399-1400

Attorney for the Citizens  
of the State of Florida



**104**

**OPC's Responses to Staff's  
First Request for  
the Production of Documents  
(Nos. 1-3)**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for rate increase by Florida  
Power & Light Company

---

Docket No: 120015-EI

Dated: August 13, 2012

**CITIZENS' RESPONSE TO STAFF'S  
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-3)**

The Citizens of the State of Florida, through the Florida Office of Public Counsel ("OPC"), hereby submit their Responses to Staff's First Request for Production of Documents to Office of Public Counsel (Nos. 1-3).

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Staff's First Set of Requests for Production of Documents Nos. 1-3, filed on August 1, 2012. OPC's response is without waiver of those prior objections.

**DOCUMENTS REQUESTED**

For the following questions, please refer to the direct testimony of OPC witness Helmuth Schultz III:

1. Please provide all work papers, calculations, and source documents for Exhibit No. HWS-6 and HWS-7.

**RESPONSE:**

Please see OPC's response to FPL's Third Request for Production of Documents No. 8.

2. Please provide, in EXCEL format with formulas intact, showing the calculations for lines 1 through 16 in Exhibit No. HWS-6. In your response, please include the identification and explanation of each input and assumption used.

**RESPONSE:**

Please see OPC's response to FPL's Third Request for Production of Documents No. 8.

3. Please provide, in EXCEL format with formulas intact, showing the calculations for lines 1 through 14 in Exhibit No. HWS-7. In your response, please include the identification and explanation of each input and assumption used.

**RESPONSE:**

Please see OPC's response to FPL's Third Request for Production of Documents No. 8.



Joseph A. McGlothlin  
Associate Public Counsel

Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, Florida 32399-1400  
(850) 488-9330

Attorney for the Citizens  
of the State of Florida

**105**

**OPC's Responses to FPLs  
Third Request for  
the Production of Documents  
(Nos. 8-9)**

**See also files on Staff's Exhibit CD**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for rate increase by Florida  
Power & Light Company

---

Docket No: 120015-EI

Filed: July 30, 2012

**CITIZENS' RESPONSE TO FLORIDA POWER & LIGHT COMPANY'S  
THIRD REQUEST FOR PRODUCTION OF DOCUMENTS (Nos. 8-9)**

The Citizens of the State of Florida, through the Florida Office of Public Counsel ("OPC"), hereby submit their Responses to Florida Power & Light Company's Third Request for Production of Documents (Nos. 8-9) to Office of Public Counsel.

All documents will be made available by OPC for inspection and review by FPL at Room 812, 111 South Madison Street, Tallahassee, Florida, during regular business hours, 8 a.m. to 5 p.m., Monday through Friday, at a mutually convenient time, upon reasonable notice to OPC's counsel.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Florida Power & Light's Third Set of Production of Documents (Nos. 8-9) dated July 20, 2012. OPC's response is without waiver of those prior objections.

**DOCUMENTS REQUESTED**

8. Regarding Witness Schultz: Please provide all documentation, calculations, analyses and work papers with formulas intact used to calculate your OPC's requested adjustment to bad debt expense.


**RESPONSE:**

See documents in the folder OPC Response to FPL 3rd POD No. 8. Also see the source documents shown on Exhibit HWS-9 attached to Mr. Schultz' prefiled direct testimony.

9. Please provide copies of all invoices received from each witness who submitted prefiled testimony or who will testify on behalf of Citizens/Office of Public Counsel.

**RESPONSE:**

See documents in the folder OPC Response to FPL 3rd POD No. 9.

  
Joseph A. McGlothlin  
Associate Public Counsel

Office of Public Counsel  
c/o The Florida Legislature  
111 W. Madison Street  
Room 812  
Tallahassee, FL 32399-1400

(850) 488-9330  
Attorney for Florida's Citizens

# LARKIN & ASSOCIATES, PLLC

CERTIFIED PUBLIC ACCOUNTANTS  
 15728 FARMINGTON ROAD  
 LIVONIA, MICHIGAN 48154  
 PHONE (734) 522-3420  
 FAX (734) 522-1410

RECEIVED

JUL 06 2012

OFFICE OF  
 PUBLIC COUNSEL

July 3, 2012  
 Invoice No. 4

State of Florida  
 Office of the Public Counsel  
 111 W. Madison  
 Suite 812  
 Tallahassee, FL 32399-1400

*OK JAM*

*OK Long -  
 July 7/12/12*

*AC 11D*  
 Florida Power & Light; Docket No. 120015-EI  
 Billing for Professional Services Rendered through July 1, 2012.

Approved to Pay. Date: 7/13/12  
 By: *[Signature]*

	Hours	Hourly Rate	Total Amount
Hugh Larkin, Jr.	45.0	@ \$ 130.00	\$ 5,850.00
Helmuth W. Schultz	130.5	@ \$ 120.00	\$ 15,660.00
Ralph C. Smith	0.0	@ \$ 120.00	\$ -
Donna M. Ramas	95.5	@ \$ 120.00	\$ 11,460.00
Mark S. Dady	116.0	@ \$ 75.00	\$ 8,700.00
Christine Miller	12.0	@ \$ 75.00	\$ 900.00
John Defever	7.0	@ \$ 75.00	\$ 525.00
Dawn Bisdorf	0.0	@ \$ 45.00	\$ -
Word Processing/Clerical	3.0	@ \$ 20.00	\$ 60.00
<b>Total Professional</b>	<b>409.0</b>		<b>\$ 43,155.00</b>
Expenses (See attached detail)			\$ -
<b>Total Amount</b>			<b>\$ 43,155.00</b>

OPCPOD3-9-012381

Florida Power & Light

June 2012 (06/04/12-07/01/12)

Name	Date	Client	Case	Work Description	Hours	Expenses
H. Larkin	06/04/12	FL OPC	Florida Power & Light	Analyzed discovery	3.0	
H. Larkin	06/05/12	FL OPC	Florida Power & Light	Analyzed discovery	2.0	
H. Larkin	06/06/12	FL OPC	Florida Power & Light	Analyzed discovery	4.0	
H. Larkin	06/11/12	FL OPC	Florida Power & Light	Review discovery	3.0	
H. Larkin	06/12/12	FL OPC	Florida Power & Light	Review discovery	2.0	
H. Larkin	06/13/12	FL OPC	Florida Power & Light	Review discovery	5.0	
H. Larkin	06/14/12	FL OPC	Florida Power & Light	Review discovery	4.0	
H. Larkin	06/19/12	FL OPC	Florida Power & Light	Work on issues	4.0	
H. Larkin	06/20/12	FL OPC	Florida Power & Light	Work on issues	3.0	
H. Larkin	06/21/12	FL OPC	Florida Power & Light	Work on issues	2.0	
H. Larkin	06/22/12	FL OPC	Florida Power & Light	Work on issues	4.0	
H. Larkin	06/25/12	FL OPC	Florida Power & Light	Working Capital issues	4.0	
H. Larkin	06/26/12	FL OPC	Florida Power & Light	Working Capital issues	5.0	
Total Hours					45.0	
H.W. Schultz	06/04/12	FL OPC	Florida Power & Light	Review responses	1.0	
H.W. Schultz	06/05/12	FL OPC	Florida Power & Light	Review responses	1.0	
H.W. Schultz	06/08/12	FL OPC	Florida Power & Light	Review responses	1.5	
H.W. Schultz	06/07/12	FL OPC	Florida Power & Light	Review responses & testimony	8.0	
H.W. Schultz	06/10/12	FL OPC	Florida Power & Light	Review responses and filing	3.5	
H.W. Schultz	06/11/12	FL OPC	Florida Power & Light	Review information; draft exhibits	12.5	
H.W. Schultz	06/12/12	FL OPC	Florida Power & Light	Review information; draft exhibits	11.0	
H.W. Schultz	06/13/12	FL OPC	Florida Power & Light	Review information; draft exhibits	4.0	
H.W. Schultz	06/14/12	FL OPC	Florida Power & Light	Review information; draft exhibits	10.0	
H.W. Schultz	06/15/12	FL OPC	Florida Power & Light	Review information; draft exhibits, testimony	8.5	
H.W. Schultz	06/16/12	FL OPC	Florida Power & Light	Review filing information	2.0	
H.W. Schultz	06/18/12	FL OPC	Florida Power & Light	Review responses & filing; draft testimony	2.5	
H.W. Schultz	06/19/12	FL OPC	Florida Power & Light	Review responses & filing; draft testimony	2.0	
H.W. Schultz	06/20/12	FL OPC	Florida Power & Light	Review responses & filing; draft testimony	5.0	

OPCPOD3-9-012382



H.W. Schultz	06/21/12	FL OPC	Florida Power & Light	Review responses & filing; draft testimony	13.0
H.W. Schultz	06/22/12	FL OPC	Florida Power & Light	Review responses & filing; draft testimony	11.0
H.W. Schultz	06/23/12	FL OPC	Florida Power & Light	Review responses & filing; draft testimony	8.0
H.W. Schultz	06/24/12	FL OPC	Florida Power & Light	Review response & filing	2.5
H.W. Schultz	06/25/12	FL OPC	Florida Power & Light	Review edits and responses	2.0
H.W. Schultz	06/26/12	FL OPC	Florida Power & Light	Review edits and responses	1.5
H.W. Schultz	06/27/12	FL OPC	Florida Power & Light	Review edits and responses	1.0
H.W. Schultz	06/28/12	FL OPC	Florida Power & Light	Review edits and responses	7.0
H.W. Schultz	06/29/12	FL OPC	Florida Power & Light	Review edits and responses	10.0
H.W. Schultz	07/01/12	FL OPC	Florida Power & Light	Edits	2.0
Total Hours					130.5

D. Ramas	06/06/12	FL OPC	Florida Power & Light	Review responses; coordinate case in-house	1.0
D. Ramas	06/09/12	FL OPC	Florida Power & Light	Review responses; analyze information	8.0
D. Ramas	06/10/12	FL OPC	Florida Power & Light	Review responses; analyze information	8.5
D. Ramas	06/11/12	FL OPC	Florida Power & Light	Review responses; analyze info; participate in conference call on project status	7.5
D. Ramas	06/12/12	FL OPC	Florida Power & Light	Review other consultants draft testimony; review responses; analyze info	4.0
D. Ramas	06/14/12	FL OPC	Florida Power & Light	Call with group; review filing and responses; analysis	8.5
D. Ramas	06/15/12	FL OPC	Florida Power & Light	Work on testimony & exhibits; analyze info; discussion with client and other consultants	5.0
D. Ramas	06/18/12	FL OPC	Florida Power & Light	Work on testimony & exhibits; review responses	5.0
D. Ramas	06/19/12	FL OPC	Florida Power & Light	Work on testimony & exhibits; analyze information	4.5
D. Ramas	06/20/12	FL OPC	Florida Power & Light	Conference call with client to discuss revenue issues, coordinate with ROR witnesses, review responses, work on exhibits	5.0
D. Ramas	06/21/12	FL OPC	Florida Power & Light	Work on exhibits and testimony, analyze information	7.0
D. Ramas	06/22/12	FL OPC	Florida Power & Light	Work on schedules and exhibits, work on testimony, review responses	8.0
D. Ramas	06/23/12	FL OPC	Florida Power & Light	Analyze info, work on testimony and exhibits	10.0
D. Ramas	06/25/12	FL OPC	Florida Power & Light	Edit testimony; discussion with other consultants on case	1.0
D. Ramas	06/27/12	FL OPC	Florida Power & Light	Conference calls; revise adjustments; coordinate with other consultants; edits, etc.	4.5
D. Ramas	06/28/12	FL OPC	Florida Power & Light	Review testimony and exhibits; coordinate with consultants; review responses; edits; respond to inquiries	7.0
D. Ramas	06/29/12	FL OPC	Florida Power & Light	More edits	1.0
Total Hours					95.5

M. Dady	06/04/12	FL OPC	Florida Power & Light	Review responses and work on issue folders	5.5
M. Dady	06/05/12	FL OPC	Florida Power & Light	Review responses and Commission Order from 2010 rate case	6.5
M. Dady	06/06/12	FL OPC	Florida Power & Light	Review responses and work on issue folders	8.5
M. Dady	06/07/12	FL OPC	Florida Power & Light	Review responses and work on issue folders	10.0

OPCPOD3-9-012383

M. Dady	06/08/12	FL OPC	Florida Power & Light	Review responses and work on issue folders	1.5
M. Dady	06/09/12	FL OPC	Florida Power & Light	Review responses and analyze issues	5.0
M. Dady	06/10/12	FL OPC	Florida Power & Light	Review responses and analyze issues	6.5
M. Dady	06/11/12	FL OPC	Florida Power & Light	Conference call; review responses & work on schedules	8.0
M. Dady	06/12/12	FL OPC	Florida Power & Light	Review responses and work on schedules	4.0
M. Dady	06/13/12	FL OPC	Florida Power & Light	Review responses and work on schedules	2.0
M. Dady	06/14/12	FL OPC	Florida Power & Light	Review responses and work on schedules	8.5
M. Dady	06/15/12	FL OPC	Florida Power & Light	Review responses and work on schedules	8.5
M. Dady	06/17/12	FL OPC	Florida Power & Light	Work on testimony	5.5
M. Dady	06/18/12	FL OPC	Florida Power & Light	Review responses	2.0
M. Dady	06/19/12	FL OPC	Florida Power & Light	Work on testimony	2.5
M. Dady	06/20/12	FL OPC	Florida Power & Light	Work on testimony	7.0
M. Dady	06/21/12	FL OPC	Florida Power & Light	Review responses; work on testimony	9.0
M. Dady	06/22/12	FL OPC	Florida Power & Light	Review responses; work on testimony	8.0
M. Dady	06/25/12	FL OPC	Florida Power & Light	Review responses	4.0
M. Dady	06/26/12	FL OPC	Florida Power & Light	Review responses	0.5
M. Dady	06/27/12	FL OPC	Florida Power & Light	Edit testimony	3.0
<b>Total Hours</b>					<b>116.0</b>
C. Miller	06/26/12	FL OPC	Florida Power & Light	Review responses, workpapers; edit testimony; prepare exhibit	4.0
C. Miller	06/27/12	FL OPC	Florida Power & Light	Edit testimony; research prior orders; testimony; conference call	7.0
C. Miller	06/28/12	FL OPC	Florida Power & Light	Edit testimony, exhibits	1.0
<b>Total Hours</b>					<b>12.0</b>
J. Dafever	06/21/12	FL OPC	Florida Power & Light	Prepare schedules	3.0
J. Dafever	06/22/12	FL OPC	Florida Power & Light	Prepare schedules	3.0
J. Dafever	06/28/12	FL OPC	Florida Power & Light	Review testimony	1.0
<b>Total Hours</b>					<b>7.0</b>
K. Niemiec	06/25/12	FL OPC	Florida Power & Light	Word Processing - testimony and exhibit	3.0
<b>Total Hours</b>					<b>3.0</b>

# LARKIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS  
 15728 FARMINGTON ROAD  
 LIVONIA, MICHIGAN 48154  
 PHONE (734) 522-3420  
 FAX (734) 522-1410

RECEIVED  
 JUN 11 2012  
 OFFICE OF  
 PUBLIC COUNSEL

June 3, 2012  
 Invoice No. 3

State of Florida  
 Office of the Public Counsel  
 111 W. Madison  
 Suite 812  
 Tallahassee, FL 32399-1400

OK  
 JAM

OK

PC 111D

Florida Power & Light; Docket No. 120015-EI

Billing for Professional Services Rendered through June 3, 2012

Approved to Pay. Date: 6/15/12  
 By: *[Signature]*

	Hours		Hourly Rate	Total Amount
Hugh Larkin, Jr.	28.0	@ \$	130.00	\$ 3,640.00
Helmuth W. Schultz	25.5	@ \$	120.00	\$ 3,060.00
Ralph C. Smith	0.0	@ \$	120.00	\$ -
Donna M. Ramas	33.0	@ \$	120.00	\$ 3,960.00
Mark S. Dady	80.0	@ \$	75.00	\$ 6,000.00
Christine Miller	1.0	@ \$	75.00	\$ 75.00
John Defever	7.5	@ \$	75.00	\$ 562.50
Dawn Bisdorf	0.0	@ \$	45.00	\$ -
Word Processing/Clerical	0.0	@ \$	20.00	\$ -
<b>Total Professional</b>	<b>175.0</b>			<b>\$ 17,297.50</b>
<b>Expenses (See attached detail)</b>				<b>\$ -</b>
<b>Total Amount</b>				<b>\$ 17,297.50</b>

OPCPOD3-9-012385

Florida Power & Light

May 2012 (04/30/12-06/03/12)

Name	Date	Client	Case	Work Description	Hours	Expenses
H. Larkin	05/11/12	FL OPC	Florida Power & Light	Review testimony	4.0	
H. Larkin	05/12/12	FL OPC	Florida Power & Light	Review testimony	3.0	
H. Larkin	05/14/12	FL OPC	Florida Power & Light	Review MFR	6.0	
H. Larkin	05/15/12	FL OPC	Florida Power & Light	Review MFR	4.0	
H. Larkin	05/16/12	FL OPC	Florida Power & Light	Review MFR	3.0	
H. Larkin	05/18/12	FL OPC	Florida Power & Light	Review MFR	4.0	
H. Larkin	05/24/12	FL OPC	Florida Power & Light	Prepare discovery	4.0	
<b>Total Hours</b>					<b>28.0</b>	
H.W. Schultz	05/01/12	FL OPC	Florida Power & Light	Review responses	0.5	
H.W. Schultz	05/16/12	FL OPC	Florida Power & Light	Review responses	1.5	
H.W. Schultz	05/17/12	FL OPC	Florida Power & Light	Review testimony/responses; draft discovery	8.0	
H.W. Schultz	05/18/12	FL OPC	Florida Power & Light	Review responses; draft discovery	5.0	
H.W. Schultz	05/25/12	FL OPC	Florida Power & Light	Review responses	2.0	
H.W. Schultz	05/29/12	FL OPC	Florida Power & Light	Review responses; draft questions	6.0	
H.W. Schultz	05/30/12	FL OPC	Florida Power & Light	Review responses	1.0	
H.W. Schultz	05/31/12	FL OPC	Florida Power & Light	Review responses	1.5	
<b>Total Hours</b>					<b>25.5</b>	
D. Ramas	04/30/12	FL OPC	Florida Power & Light	Download & review responses	4.5	
D. Ramas	05/01/12	FL OPC	Florida Power & Light	Download & review responses; determine if deficient, participate in conference call regarding responses	8.5	
D. Ramas	05/02/12	FL OPC	Florida Power & Light	Review responses; participate in discovery call; analyze information; prepare discovery	6.0	
D. Ramas	05/03/12	FL OPC	Florida Power & Light	Edit discovery; review responses to discovery	1.0	
D. Ramas	05/07/12	FL OPC	Florida Power & Light	Download and review responses	3.0	
D. Ramas	05/08/12	FL OPC	Florida Power & Light	Review information	1.0	
D. Ramas	05/09/12	FL OPC	Florida Power & Light	Review information; prepare data request	1.5	
D. Ramas	05/14/12	FL OPC	Florida Power & Light	Review file memo sent by counsel; research AMR issue; propose approach to client	1.5	
D. Ramas	05/16/12	FL OPC	Florida Power & Light	Review responses	1.5	
D. Ramas	05/18/12	FL OPC	Florida Power & Light	Review and distribute files/discovery	1.0	
D. Ramas	05/30/12	FL OPC	Florida Power & Light	Review responses and filing	1.0	
D. Ramas	05/31/12	FL OPC	Florida Power & Light	Discussions with client & engineers; review responses; prepare data requests on overhaul issue	2.5	
<b>Total Hours</b>					<b>33.0</b>	

OPCPOD3-9-012386

M. Dady	05/01/12	FL OPC	Florida Power & Light	Review responses	5.0
M. Dady	05/07/12	FL OPC	Florida Power & Light	Work on and review discovery	4.0
M. Dady	05/13/12	FL OPC	Florida Power & Light	Work on discovery	3.0
M. Dady	05/14/12	FL OPC	Florida Power & Light	Review filing; work on discovery	4.0
M. Dady	05/15/12	FL OPC	Florida Power & Light	Review filing and work on discovery	4.0
M. Dady	05/16/12	FL OPC	Florida Power & Light	Review filing; work on discovery	5.5
M. Dady	05/17/12	FL OPC	Florida Power & Light	Review responses and work on discovery	7.0
M. Dady	05/18/12	FL OPC	Florida Power & Light	Review responses & work on discovery	5.0
M. Dady	05/21/12	FL OPC	Florida Power & Light	Review responses	4.5
M. Dady	05/22/12	FL OPC	Florida Power & Light	Review responses	5.5
M. Dady	05/24/12	FL OPC	Florida Power & Light	Review responses; work on discovery	6.0
M. Dady	05/29/12	FL OPC	Florida Power & Light	Review responses and set up issue folders	8.0
M. Dady	05/30/12	FL OPC	Florida Power & Light	Review responses and set up issue folders	4.0
M. Dady	05/31/12	FL OPC	Florida Power & Light	Review responses and set up issue folders	7.5
M. Dady	06/01/12	FL OPC	Florida Power & Light	Review updated accounting policies and procedures	7.0
				Total Hours	<u>80.0</u>
C. Miller	05/24/12	FL OPC	Florida Power & Light	Prepare data requests	1.0
				Total Hours	<u>1.0</u>
J. Defever	05/07/12	FL OPC	Florida Power & Light	Prepare discovery	3.5
J. Defever	05/18/12	FL OPC	Florida Power & Light	Review schedule	4.0
				Total Hours	<u>7.5</u>

RECEIVED

MAY 04 2012

OFFICE OF  
PUBLIC COUNSEL

# LARKIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS  
15728 FARMINGTON ROAD  
LIVONIA, MICHIGAN 48154  
PHONE (734) 522-3420  
FAX (734) 522-1410

May 2, 2012  
Invoice No. 2

State of Florida  
Office of the Public Counsel  
111 W. Madison  
Suite 812  
Tallahassee, FL 32399-1400

*DK*  
*OK*  
*5/10/12*

Approved to Pay. Date: *5/11/12*  
By: *[Signature]*

PC 11D

Florida Power & Light; Docket No. 120015-EL

Billing for Professional Services Rendered through April 29, 2012.

*DK*  
*[Signature]*

	<u>Hours</u>		<u>Hourly Rate</u>	<u>Total Amount</u>
Hugh Larkin, Jr.	0.0	@ \$	130.00	\$ -
Helmuth W. Schultz	6.5	@ \$	120.00	\$ 780.00
Ralph C. Smith	0.0	@ \$	120.00	\$ -
Donna M. Ramas	33.0	@ \$	120.00	\$ 3,960.00
Mark S. Dady	38.0	@ \$	75.00	\$ 2,850.00
Christine Miller	0.0	@ \$	75.00	\$ -
John Defever	0.0	@ \$	75.00	\$ -
Dawn Bisdorf	0.0	@ \$	45.00	\$ -
Word Processing/Clerical	7.5	@ \$	20.00	\$ 150.00
<b>Total Professional</b>	<u>85.0</u>			<u>\$ 7,740.00</u>
Expenses (See attached detail)				\$ -
<b>Total Amount</b>				<u>\$ 7,740.00</u>

OPCPOD3-9-012388

Florida Power & Light

April 2012 (04/02/12-04/28/12)

Name	Date	Client	Case	Work Description	Hours	Expenses
H.W. Schultz	04/03/12	FL OPC	Florida Power & Light	Review filing and schedules	1.5	
H.W. Schultz	04/08/12	FL OPC	Florida Power & Light	Read testimony	1.5	
H.W. Schultz	04/09/12	FL OPC	Florida Power & Light	Review filing and other information	1.5	
H.W. Schultz	04/23/12	FL OPC	Florida Power & Light	Review discovery questions	0.5	
H.W. Schultz	04/25/12	FL OPC	Florida Power & Light	Review testimony & responses	1.0	
H.W. Schultz	04/26/12	FL OPC	Florida Power & Light	Review responses	0.5	
				Total Hours	<u>6.5</u>	
D. Ramas	04/05/12	FL OPC	Florida Power & Light	Review filing and data requests	2.5	
D. Ramas	04/13/12	FL OPC	Florida Power & Light	Review filing; participate in conference call	3.0	
D. Ramas	04/20/12	FL OPC	Florida Power & Light	Review filing and discovery requests	3.0	
D. Ramas	04/22/12	FL OPC	Florida Power & Light	Review filing and annual report	3.0	
D. Ramas	04/23/12	FL OPC	Florida Power & Light	Review filing & testimonies; discussion on AMI project and revenue projections; research prior docket	4.0	
D. Ramas	04/24/12	FL OPC	Florida Power & Light	Review information	2.0	
D. Ramas	04/25/12	FL OPC	Florida Power & Light	Review filing and responses	2.5	
D. Ramas	04/26/12	FL OPC	Florida Power & Light	Review responses and filing	5.5	
D. Ramas	04/27/12	FL OPC	Florida Power & Light	Review Company filed corrections; review responses	3.0	
D. Ramas	04/28/12	FL OPC	Florida Power & Light	Review responses to discovery	4.5	
				Total Hours	<u>33.0</u>	
M. Dady	04/03/12	FL OPC	Florida Power & Light	Review filing and work on discovery	8.0	
M. Dady	04/05/12	FL OPC	Florida Power & Light	Review filing and work on discovery	2.0	
M. Dady	04/06/12	FL OPC	Florida Power & Light	Review filing and work on discovery	8.0	
M. Dady	04/09/12	FL OPC	Florida Power & Light	Review filing and work on discovery	3.5	
M. Dady	04/10/12	FL OPC	Florida Power & Light	Review filing and work on discovery	5.0	
M. Dady	04/13/12	FL OPC	Florida Power & Light	Work on discovery and conference call	3.0	
M. Dady	04/17/12	FL OPC	Florida Power & Light	Review filing and work on discovery	6.0	
M. Dady	04/18/12	FL OPC	Florida Power & Light	Work on discovery	1.5	
M. Dady	04/23/12	FL OPC	Florida Power & Light	Work on discovery	1.0	
				Total Hours	<u>38.0</u>	
K. Niemiec	04/02/12	FL OPC	Florida Power & Light	Clerical - prepare copies of Company testimonies and exhibits; organize and bind	1.0	
K. Niemiec	04/26/12	FL OPC	Florida Power & Light	Clerical - print and organize documents	2.5	
K. Niemiec	04/27/12	FL OPC	Florida Power & Light	Clerical - print and organize documents	4.0	
				Total Hours	<u>7.5</u>	

OPCPOD3-9-012389

# LARKIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS  
 15728 FARMINGTON ROAD  
 LIVONIA, MICHIGAN 48154  
 PHONE (734) 522-3420  
 FAX (734) 522-1410

RECEIVED

APR 09 2012

OFFICE OF  
 PUBLIC COUNSEL

April 4, 2012  
 Invoice No. 1

*PC 127  
 11*

State of Florida  
 Office of the Public Counsel  
 111 W. Madison  
 Suite 812  
 Tallahassee, FL 32399-1400

*OK  
 JAM*

*OK  
 JAM  
 4/12/12*

Florida Power & Light; Docket No. 120015-EI  
 Billing for Professional Services Rendered through April 1, 2012.

Approved by: *[Signature]* Date: *4/12/12*  
 By: *[Signature]*

	Hours		Hourly Rate	Total Amount
Hugh Larkin, Jr.	0.0	@ \$	130.00	\$ -
Helmuth W. Schultz	6.5	@ \$	120.00	\$ 780.00
Ralph C. Smith	0.0	@ \$	120.00	\$ -
Donna M. Ramas	7.0	@ \$	120.00	\$ 840.00
Mark S. Dady	30.0	@ \$	75.00	\$ 2,250.00
Christine Miller	0.0	@ \$	75.00	\$ -
John Defever	2.0	@ \$	75.00	\$ 150.00
Dawn Bisdorf	0.0	@ \$	45.00	\$ -
Word Processing/Clerical	17.0	@ \$	20.00	\$ 340.00
<b>Total Professional</b>	<b>62.5</b>			<b>\$ 4,360.00</b>
Expenses (See attached detail)				\$ -
<b>Total Amount</b>				<b>\$ 4,360.00</b>

OPCPOD3-9-012390



Florida Power & Light

March 2012 (03/05/12-04/01/12)

Name	Date	Client	Case	Work Description	Hours	Expenses
H.W. Schultz	03/23/12	FL OPC	Florida Power & Light	Review discovery	0.5	
H.W. Schultz	03/26/12	FL OPC	Florida Power & Light	Discuss case	0.5	
H.W. Schultz	03/27/12	FL OPC	Florida Power & Light	Review information; conference call	1.0	
H.W. Schultz	03/29/12	FL OPC	Florida Power & Light	Review filing and draft discovery	4.5	
<b>Total Hours</b>					<b>6.5</b>	
D. Ramas	03/22/12	FL OPC	Florida Power & Light	Review information; conference call with client and consultant addressing affiliates; review draft discovery	5.0	
D. Ramas	03/23/12	FL OPC	Florida Power & Light	Review filing and draft discovery	2.0	
<b>Total Hours</b>					<b>7.0</b>	
M. Dady	03/23/12	FL OPC	Florida Power & Light	Review filing	8.0	
M. Dady	03/26/12	FL OPC	Florida Power & Light	Review filing	6.0	
M. Dady	03/27/12	FL OPC	Florida Power & Light	Review filing	5.5	
M. Dady	03/28/12	FL OPC	Florida Power & Light	Review filing; work on discovery	3.0	
M. Dady	03/29/12	FL OPC	Florida Power & Light	Review filing; work on discovery	7.5	
<b>Total Hours</b>					<b>30.0</b>	
J. Defever	03/27/12	FL OPC	Florida Power & Light	Review filing; conference call	2.0	
<b>Total Hours</b>					<b>2.0</b>	
K. Niemiec	03/23/12	FL OPC	Florida Power & Light	Clerical - Print and organize exhibits	6.0	
K. Niemiec	03/26/12	FL OPC	Florida Power & Light	Clerical - prepare copies of Company testimonies and exhibits; organize and bind	6.0	
K. Niemiec	03/29/12	FL OPC	Florida Power & Light	Clerical - print and organize exhibits	2.0	
K. Niemiec	03/30/12	FL OPC	Florida Power & Light	Clerical - print and organize exhibits	3.0	
<b>Total Hours</b>					<b>17.0</b>	

OPCPOD3-9-012391

**VONDLE & ASSOCIATES, Inc.**

4926 Calle de Tierra, NE  
Albuquerque, NM 87111  
(505) 292-8961

June 30, 2012

Ms. Brenda Roberts  
Florida Office of Public Counsel  
111 West Madison Street  
Room 812  
Tallahassee, Florida 32399-1400

Approved to Pay. Date: 7/2/12  
By: *[Signature]*

**Regarding: June Invoice for Vondle & Associates, Inc. Assistance on the  
Petition for Rate Increase by Florida Power & Light Company, Docket  
Number 120015-EI** *PL OBD*

**Via email: ROBERTS.BRENDA@leg.state.fl.us**

Dear Ms. Roberts:

Invoice for time and expenses for June 2012.

Consultant	Hours	Rate	Fees	Expenses	Total
Vondle	46.1	\$195	\$8,989.50	\$0.00	\$8,989.50
<b>Total Payment Due</b>					<b>\$8,989.50</b>

*[Handwritten notes in a circle: OK, 7/2/12]*

Attached is the time log for this project for June.

Please call me at (505) 292-8961 if you have any questions.

Thank you,

*David P. Vondle*

David P. Vondle, CMC  
Vondle & Associates, Inc.

*[Handwritten notes in a circle: OK, JAM]*

Federal Tax Identification Number 85-0375115

**Florida Office of Public Counsel  
FP&L 2012 Rate Case  
Docket Number 120015-EI**

**David P. Vondle  
2012 Time Log for June**

<b>June</b>	<b>Activities</b>	<b>Hours</b>
4	<ul style="list-style-type: none"> <li>• Teleconference with Patty</li> <li>• Downloaded second set of ROG and POD responses</li> </ul>	.3
5	<ul style="list-style-type: none"> <li>• Organized and printed second ROG and POD responses</li> <li>• Began reviewing the ROG and POD responses</li> </ul>	2.2
6	<ul style="list-style-type: none"> <li>• Began organizing deposition topics</li> <li>• Reviewed confidential responses</li> <li>• Teleconference with Joe and Patty</li> <li>• Began reviewing deposition references for questions</li> <li>• Began preparing question table</li> </ul>	3.8
7	<ul style="list-style-type: none"> <li>• Continued reviewing case documents for questions</li> <li>• Continued preparing question table</li> </ul>	3.7
8	<ul style="list-style-type: none"> <li>• Continued reviewing case documents for questions</li> <li>• Continued preparing question table</li> </ul>	2.8
9	<ul style="list-style-type: none"> <li>• Continued reviewing case documents for questions</li> <li>• Continued preparing question table</li> <li>• Sent first draft to Joe and Patty</li> </ul>	.7
12	<ul style="list-style-type: none"> <li>• Correspondence with Joe</li> </ul>	.1
13	<ul style="list-style-type: none"> <li>• Preparation for and teleconference with Joe</li> <li>• Teleconference with Joe on TMG FPL involvement</li> <li>• Ousdahl questions update</li> </ul>	1.3
14	<ul style="list-style-type: none"> <li>• Vondle testimony edits</li> </ul>	4.2
15	<ul style="list-style-type: none"> <li>• Ousdahl interview preparation and document assembly</li> </ul>	.8
16	<ul style="list-style-type: none"> <li>• Vondle testimony edits</li> </ul>	1.4
17	<ul style="list-style-type: none"> <li>• Vondle testimony edits</li> <li>• Ousdahl interview preparation</li> </ul>	1.1
18	<ul style="list-style-type: none"> <li>• Ousdahl interview preparation</li> <li>• Ousdahl interview</li> <li>• Vondle testimony edits and transmittal</li> </ul>	4.7
19	<ul style="list-style-type: none"> <li>• Correspondence from Joe on testimony edits</li> </ul>	.1
20	<ul style="list-style-type: none"> <li>• Correspondence with Donna Ramas on adjustments</li> </ul>	.1
21	<ul style="list-style-type: none"> <li>• Received FPL's discovery to witnesses</li> </ul>	.1
22	<ul style="list-style-type: none"> <li>• Received OPC's long and short form testimony edits</li> <li>• Received Ousdahl interview follow-up from FPL</li> </ul>	.1
23	<ul style="list-style-type: none"> <li>• Reviewed testimony edits from Joe</li> </ul>	.6
24	<ul style="list-style-type: none"> <li>• Reviewed OPC's short form testimony suggested edits</li> </ul>	1.2

OPCPOD3-9-012393

25	<ul style="list-style-type: none"> <li>• Reviewed Ousdahl interview follow-up from FPL</li> <li>• Vondle testimony edits</li> <li>• Correspondence with Patty</li> <li>• Transmitted revised testimony to the OPC</li> </ul>	6.8
26	<ul style="list-style-type: none"> <li>• Began responses to FPL's discovery</li> <li>• Assembled POD documents</li> <li>• Transmitted ROG and POD responses to OPC</li> <li>• Reviewed Patty's testimony edits</li> <li>• Correspondence with Patty on testimony and the CT expert report</li> <li>• Reviewed revised ROG on FPL name</li> <li>• Transmitted revised testimony to the OPC</li> </ul>	5.9
27	<ul style="list-style-type: none"> <li>• Teleconference with Patty</li> <li>• ROG response update for CT report</li> </ul>	.2
28	<ul style="list-style-type: none"> <li>• Testimony edits from Patty</li> <li>• Additional testimony edits from JR and Charles after already doing Patty's edits.</li> <li>• Teleconference with Patty</li> <li>• Transmitted revised testimony to the OPC</li> <li>• Reviewed Ramas comments</li> <li>• Teleconference with Patty</li> </ul>	3.9
	<b>Total June</b>	<b>46.1</b>

**VONDLE & ASSOCIATES, Inc.**

4926 Calle de Tierra, NE  
Albuquerque, NM 87111  
(505) 292-8961

May 31, 2012

Ms. Brenda Roberts  
Florida Office of Public Counsel  
111 West Madison Street  
Room 812  
Tallahassee, Florida 32399-1400

*PC OED*

**Regarding: May Invoice for Vondle & Associates, Inc. Assistance on the  
Petition for Rate Increase by Florida Power & Light Company, Docket  
Number 120015-EI**

Via email: [ROBERTS.BRENDA@leg.state.fl.us](mailto:ROBERTS.BRENDA@leg.state.fl.us)

Approved to Pay. Date: *6/5/12*  
By: *[Signature]*

Dear Ms. Roberts:

Invoice for time and expenses for May 2012.

Consultant	Hours	Rate	Fees	Expenses	Total
Vondle	20.8	\$195	\$4,056.00	\$0.00	\$4,056.00
<b>Total Payment Due</b>					<b>\$4,056.00</b>

Attached is the time log for this project for May.

Please call me at (505) 292-8961 if you have any questions.

Thank you,

*David P. Vondle*

David P. Vondle, CMC  
Vondle & Associates, Inc.

*OK JAM*  
*[Signature]*  
*6/11/12*

Federal Tax Identification Number 85-0375115

**Florida Office of Public Counsel  
 FP&L 2012 Rate Case  
 Docket Number 120015-EI**

**David P. Vondle  
 2012 Time Log for May**

<b>May</b>	<b>Activities</b>	<b>Hours</b>
1	<ul style="list-style-type: none"> <li>• Correspondence with Charles</li> <li>• Teleconference with Patty on non-responsive rogs and pods</li> <li>• Worked on draft testimony and follow-up rogs</li> <li>• Conference call on non-responsive replies</li> </ul>	7.3
2	<ul style="list-style-type: none"> <li>• Communications with Patty</li> <li>• Discovery conference call</li> </ul>	.3
3	<ul style="list-style-type: none"> <li>• Worked on draft testimony and follow-up rogs</li> </ul>	3.6
4	<ul style="list-style-type: none"> <li>• Finished next iteration of draft testimony</li> <li>• Finished second set of ROGS</li> <li>• Transmitted testimony and ROGS to Patty and Joe</li> </ul>	3.9
7	<ul style="list-style-type: none"> <li>• Correspondence with Joe</li> <li>• Correspondence with Patty</li> <li>• Reviewed FPL's responses to follow-up questions</li> <li>• Edited second ROGS</li> <li>• Reviewed Patty's edits to second ROGS</li> </ul>	3.1
8	<ul style="list-style-type: none"> <li>• Correspondence with Patty</li> <li>• Final edit of second ROGS and PODS</li> </ul>	1.2
15	<ul style="list-style-type: none"> <li>• Preparation and teleconference with Patty on latest testimony draft</li> <li>• Notes on teleconference</li> <li>• Read Joe's comments</li> <li>• Correspondence with Patty</li> </ul>	.9
18	<ul style="list-style-type: none"> <li>• Responded to FPL question on ROG 165</li> </ul>	.4
29	<ul style="list-style-type: none"> <li>• Correspondence with Patty on deposition scheduling</li> </ul>	.1
	<b>Total May</b>	<b>20.8</b>

**VONDLE & ASSOCIATES, Inc.**

4926 Calle de Tierra, NE  
Albuquerque, NM 87111  
(505) 292-8961

April 29, 2012

Ms. Brenda Roberts  
Florida Office of Public Counsel  
111 West Madison Street  
Room 812  
Tallahassee, Florida 32399-1400

Approved to Pay. Date: 5/16/12  
By: *[Signature]*

*PC OBD*

**Regarding: March Invoice for Vondle & Associates, Inc. Assistance on the  
Petition for Rate Increase by Florida Power & Light Company, Docket  
Number 120015-EI**

**Via email: ROBERTS.BRENDA@leg.state.fl.us**

Dear Ms. Roberts:

Invoice for time and expenses for April 2012.

Consultant	Hours	Rate	Fees	Expenses	Total
Vondle	34.7	\$195	\$6,766.50	\$0.00	\$6,766.50
<b>Total Payment Due</b>					<b>\$6,766.50</b>

Attached is the time log for this project for April.

Please call me at (505) 292-8961 if you have any questions.

Thank you,

*David P. Vondle*

David P. Vondle, CMC  
Vondle & Associates, Inc.

*OK  
SPM*  
*[Signature]*  
*5/14/12*

Federal Tax Identification Number 85-0375115

**Florida Office of Public Counsel  
FP&L 2012 Rate Case  
Docket Number 120015-EI**

**David P. Vondle  
2012 Time Log for April**

<b>April</b>	<b>Activities</b>	<b>Hours</b>
2	<ul style="list-style-type: none"> <li>• Reviewed FIPUG DRs</li> <li>• Reviewed SFHHA DRs</li> </ul>	.9
4	<ul style="list-style-type: none"> <li>• Correspondence with Patty</li> </ul>	.1
5	<ul style="list-style-type: none"> <li>• Reviewed additional OPC and Staff DRs</li> </ul>	.2
6	<ul style="list-style-type: none"> <li>• Preparation for an teleconference with Patty</li> <li>• Reviewed Tricia's summary of DRs</li> <li>• Reviewed Kim's testimony from the last case</li> </ul>	5.8
16	<ul style="list-style-type: none"> <li>• Correspondence with Patty on telephone appointment</li> <li>• Downloaded testimony edits and additional DRs</li> </ul>	.2
17	<ul style="list-style-type: none"> <li>• Teleconference with Patty and Joe</li> <li>• Read testimony edits and researched questions</li> <li>• Made edits to testimony</li> </ul>	2.8
23	<ul style="list-style-type: none"> <li>• Reviewed, signed, emailed and mailed confidentiality agreement</li> <li>• Reviewed FIPUG First Data Responses</li> </ul>	.8
25	<ul style="list-style-type: none"> <li>• Attempted to log into FL Leg site – unsuccessful</li> <li>• Teleconferences with Monica on web access</li> <li>• Completed initial testimony Joe and Patty suggested edits</li> <li>• Downloaded OPC first rogs and pods responses</li> <li>• Printed AFI relevant rogs and pods</li> <li>• First quick review of rogs and pods</li> <li>• Assembled paper and electronic versions of available prior testimonies</li> </ul>	7.9
26	<ul style="list-style-type: none"> <li>• Read OPC first rogs and pods</li> <li>• Correspondence setting up teleconference</li> <li>• Teleconference with Joe and Patty regarding first rogs and pods</li> <li>• Began second set of rogs and pods</li> <li>• Began fleshing out testimony</li> <li>• Began list of unresponsive rogs and pods</li> </ul>	7.4
27	<ul style="list-style-type: none"> <li>• Developed list of unresponsive rogs</li> <li>• Developed follow-up rogs</li> <li>• Continued to flesh out testimony</li> </ul>	5.5
29	<ul style="list-style-type: none"> <li>• Developed list of unresponsive pods</li> <li>• Developed follow-up rogs</li> <li>• Continued to flesh out testimony</li> <li>• Transmitted unresponsive rogs and pods to Joe and Patty</li> </ul>	3.1
<b>Total April</b>		<b>34.7</b>

OPCPOD3-9-012398



VONDLE & ASSOCIATES, Inc

4926 Calle de Tierra, NE  
Albuquerque, NM 87111  
(505) 292-8961

JIM,

DAVE JUMPED THE  
GUN a BIT.

\$1,950 OK  
Mike

March 31, 2012

Ms. Brenda Roberts  
Florida Office of Public Counsel  
111 West Madison Street  
Room 812  
Tallahassee, Florida 32399-1400

Regarding: March Invoice for Vondle & Associates, Inc. Assistance on the  
Petition for Rate Increase by Florida Power & Light Company, Docket  
Number 120015-EI

PC 08 D

Via email: [ROBERTS.BRENDA@leg.state.fl.us](mailto:ROBERTS.BRENDA@leg.state.fl.us)

Dear Ms. Roberts:

Invoice for time and expenses for March 2012.

Consultant	Hours	Rate	Fees	Expenses	Total
Vondle	28	\$195	\$5,460	\$0.00	\$5,460.00
Total Payment Due					\$5,460.00

10 \$1,950 \$1,950

Attached is the time log for this project.

Please call me at (505) 292-8961 if you have any questions.

Thank you,

*David P. Vondle*

David P. Vondle, CMC  
Vondle & Associates, Inc.

OK  
JAM

OK  
JAM  
4/19/12

Federal Tax Identification Number 85-0375115

Approved to Pay. Date: 4/19/12  
*Mike*

OPCPOB3-0-012399

**Florida Office of Public Counsel  
FP&L 2012 Rate Case  
Docket Number 120015-EI**

**David P. Vondle  
2012 Time Log**

March	Activities	Hours
2	<ul style="list-style-type: none"> <li>Signed contract</li> <li>Correspondence with Tricia Merchant and Joe McGlothlin</li> </ul>	
5	<ul style="list-style-type: none"> <li>Began downloading information</li> </ul>	
7	<ul style="list-style-type: none"> <li>Correspondence with Joe</li> <li>Teleconference with OPC team</li> <li>Reviewed basic information</li> </ul>	<del>2</del>
8	<ul style="list-style-type: none"> <li>Correspondence with Tricia</li> <li>Downloaded Dismukes testimony and exhibits</li> <li>Installed Dropbox on desktop and laptop</li> <li>Reviewed 10k</li> <li>Reviewed Dismukes testimony</li> <li>Reviewed prior order</li> </ul>	<del>4</del>
9	<ul style="list-style-type: none"> <li>Requested relevant legal standards from Joe</li> <li>Received rule from Patty</li> </ul>	
13	<ul style="list-style-type: none"> <li>Began review of legal standards</li> </ul>	
19	<ul style="list-style-type: none"> <li>Correspondence with Patty and Phyllis</li> <li>Started formatting testimony</li> </ul>	
20	<ul style="list-style-type: none"> <li>Began downloading and reviewing MFR – Litchfield Filing, Ousdahl testimony and exhibits, MFR-C</li> <li>Correspondence with Tricia</li> <li>Began reviewing filing and drafting questions</li> </ul>	<del>6</del>
21	<ul style="list-style-type: none"> <li>Completed first draft of questions and sent to Joe and Patty</li> <li>Continued review of case filing and added questions</li> </ul>	<del>6</del>
22	<ul style="list-style-type: none"> <li>Teleconference with Patty, Joe, Brenda and Donna Ramos</li> <li>Edited interrogatories and document requests and resent</li> <li>Correspondence with Patty</li> </ul>	4
23	<ul style="list-style-type: none"> <li>Worked on legal standard testimony</li> <li>Correspondence with Joe on interrogatories</li> <li>Correspondence on team conference call</li> </ul>	1
25	<ul style="list-style-type: none"> <li>Worked on legal standard testimony</li> </ul>	1
27	<ul style="list-style-type: none"> <li>Draft of legal standard testimony</li> <li>Reviewed Order Establishing Procedure and calendared dates</li> <li>Reviewed second DR</li> <li>Team conference call</li> </ul>	4
28	<ul style="list-style-type: none"> <li>Call to Patty on depositions and draft testimony</li> <li>Edit first draft testimony</li> </ul>	

*MPD  
4/1/12*

<b>Total</b>		<del>28</del>
--------------	--	---------------

~~10~~  
10

**106**

**OPC's Responses to FPL's  
Fourth Request for  
the Production of Documents  
(Nos. 12-17)**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for rate increase by Florida  
Power & Light Company

---

Docket No: 120015-EI

Dated: July 31, 2012

**CITIZENS' RESPONSE TO FLORIDA POWER & LIGHT COMPANY'S  
FOURTH REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 10-17)**

The Citizens of the State of Florida, through the Florida Office of Public Counsel ("OPC"), hereby submit their Responses to Florida Power & Light Company's Fourth Request for Production of Documents (Nos. 10-17) to Office of Public Counsel. All documents have been made available to FPL.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Florida Power & Light's Fourth Set of Production of Documents (Nos. 10-17) dated July 23, 2012. OPC's response is without waiver of those prior objections.

**DOCUMENTS REQUESTED**

12. Regarding OPC witness Vondle (page 2): Provide a copy of the ethical standards by which Mr. Vondle is governed.

**RESPONSE:**

Please see: <http://www.imcusa.org/?page=ethicscode>

13. Regarding OPC witness Vondle (page 2): Provide a copy of Mr. Vondle's original application to the IMC USA and any renewal applications or materials submitted to IMC USA in support of Mr. Vondle's certification.

**RESPONSE:**

Mr. Vondle does not have the requested documents.

14. Regarding OPC witness Vondle (page 2): Provide a copy of IM C USA's Competency Framework and Certification Scheme for Certified Management Consultants.

**RESPONSE:**

Please see: [http://www.imcusa.org/resource/collection/EBB9404A-403E-494E-9473-C2867A83420E/IMC\\_USA\\_Competency\\_Framework\\_-\\_Competency\\_Framework\\_Scheme\\_Document\\_Revision\\_4\\_06\\_18\\_2010.pdf?hhSearchTerms=competency+and+framework](http://www.imcusa.org/resource/collection/EBB9404A-403E-494E-9473-C2867A83420E/IMC_USA_Competency_Framework_-_Competency_Framework_Scheme_Document_Revision_4_06_18_2010.pdf?hhSearchTerms=competency+and+framework)

15. Provide copies of any and all reports or documents that OPC Witness Vondle reviewed other than FPL-furnished materials in connection with the engagement in this case.

**RESPONSE:**

Please see OPC's answer to FPL Interrogatory 3 to OPC.

16. Provide any and all documents, analyses, orders, materials that OPC Witness Vondle relies upon as support for his proposed 20% adjustment.

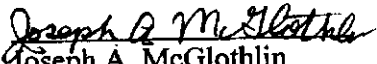
**RESPONSE:**

Please see OPC's answer to FPL Interrogatory 3 to OPC.

17. Provide copies or transcripts of any testimony provided by OPC Witness Vondle in the matters identified in response to FPL's Interrogatory No. 73.

**RESPONSE:**

There are no responsive documents.

  
Joseph A. McGlothlin  
Associate Public Counsel

Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, Florida 32399-1400

Attorney for the Citizens  
of the State of Florida



**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and foregoing Citizens' Response to Florida Power & Light Company's Fourth Request for Production of Documents (Nos. 10-17) has been furnished electronically and/or by U.S. Mail on this 31st day of July, 2012, to the following:

Caroline Klancke  
Keino Young  
Florida Public Service Commission  
Office of the General Counsel  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

John T. Butler  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, FL 33408-0420

Ken Hoffman  
R. Wade Litchfield  
Florida Power & Light Company  
215 South Monroe Street, Suite 810  
Tallahassee, FL 32301-1858

Kenneth L. Wiseman  
Mark F. Sundback  
J. Peter Ripley  
Andrews Kurth LLP  
1350 I Street, NW, Suite 1100  
Washington, DC 20005

Daniel R. and Alexandria Larson  
06933 W. Harlena Drive  
Loxahatchee, FL 33470

Charles Milsted  
AARP, Associate State Director  
200 West College Avenue  
Tallahassee, FL 32301

Vickie Gordon Kaufman  
Jon C. Moyle  
c/o Moyle Law Firm  
118 North Gadsden Street  
Tallahassee, FL 32301

Robert Scheffel Wright  
John T. LaVia  
Gardner Law Firm  
1300 Thomaswood Drive  
Tallahassee, FL 32308

Karen White  
Federal Executive Agencies  
c/o AFLOA/JACL-ULFSC  
139 Barnes Drive, Suite 1  
Tyndall Air Force Base, FL 32403

Thomas Saporito  
6701 Mallards Cove Rd., Apt. 28H  
Jupiter, FL 33458


John W. Hendricks  
367 S. Shore Drive  
Sarasota, FL 34234

Linda S. Quick, President  
South Florida Hospital and  
Healthcare Association  
6030 Hollywood Blvd., Suite 140  
Hollywood, FL 33024

Quang Ha, Paul Woods, Patrick Ahlm  
Algenol Biofuels, Inc.  
28100 Bonita Grande Drive, Suite 200  
Bonita Springs, FL 24135

Mr. Larry Nelson  
312 Roberts Road  
Nokomis, FL 34275

William C. Garner  
Brian P. Armstrong  
Nabors, Giblin & Nickerson, P.A.  
1500 Mahan Drive, Suite 200  
Tallahassee, FL 32308

  
Joseph A. McGlothlin  
Associate Public Counsel

**107**

**OPC's Responses to FPL's  
Sixth Request for  
the Production of Documents  
(No. 24)**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for rate increase by Florida  
Power & Light Company

---

Docket No: 120015-EI

Dated: August 7, 2012

**CITIZENS' RESPONSE TO FLORIDA POWER & LIGHT COMPANY'S  
SIXTH REQUEST FOR PRODUCTION OF DOCUMENTS (NO. 24)**

The Citizens of the State of Florida, through the Florida Office of Public Counsel ("OPC"), hereby submit their Responses to Florida Power & Light Company's Sixth Request for Production of Documents (No. 24) to Office of Public Counsel.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Florida Power & Light's Sixth Set of Requests for Production of Documents (No. 24). OPC's answers are without waiver of those prior objections.

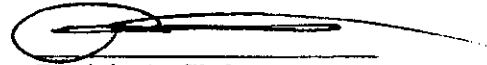
**DOCUMENTS REQUESTED**

24. Regarding OPC Witness Vondle's testimony at page 37, please provide copies of all decisions in which a Commission has required compensation for the use of the utility's name by its affiliate.

**RESPONSE:**

Mr. Vondle did not research other Commissions' decisions regarding compensation for the use of a utility's name by its affiliates for this case. See attached Orders which are responsive to Interrogatory No. 85.

Respectfully submitted this 7<sup>th</sup> day of August, 2012.



Patricia A. Christensen  
Associate Public Counsel

Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, Florida 32399-1400

Attorney for the Citizens  
of the State of Florida

546 So.2d 717  
105 P.U.R.4th 532, 546 So.2d 717, 14 Fla. L. Weekly 326  
(Cite as: 105 P.U.R.4th 532, 546 So.2d 717)

▷

Supreme Court of Florida.  
**UNITED TELEPHONE LONG DISTANCE, INC.,**  
and **United Telephone Company of Florida, Appel-**  
**lants,**  
v.  
Katie **NICHOLS, etc., et al., Appellees.**

No. 72988.  
July 6, 1989.

Appeal was taken from order of Public Service Commission granting long-distance subsidiary's application for certificate of public convenience and necessity to provide long-distance service as interexchange carrier but conditioning such grant on subsidiary's compensating local exchange parent and its ratepayers for use of its goodwill and intangible benefits. The Supreme Court, Overton, J., held that: (1) requirement that subsidiary compensate parent was both authorized by statute and supported by evidence, and (2) requirement was neither confiscatory nor violative of due process or equal protection clauses of either State or Federal Constitutions.

Affirmed.

West Headnotes

**111 Telecommunications 372 ↻866**

372 Telecommunications  
372111 Telephones  
372111(F) Telephone Service  
372k854 Competition, Agreements and  
Connections Between Companies  
372k866 k. Pricing, Rates and Access  
Charges. Most Cited Cases  
(Formerly 372k75.1, 372k75)

Evidence supported Public Service Commission's decision to require long-distance telephone subsidiary, as condition for certificate of public convenience and necessity to provide service as interexchange carrier, to compensate local exchange parent and its ratepayers for intangible benefits it received from parent as

result of use of its name, logo, and goodwill, as well as from availability of financing and trained personnel.

**121 Telecommunications 372 ↻866**

372 Telecommunications  
372111 Telephones  
372111(F) Telephone Service  
372k854 Competition, Agreements and  
Connections Between Companies  
372k866 k. Pricing, Rates and Access  
Charges. Most Cited Cases  
(Formerly 372k75.1, 372k75)

Public Service Commission had statutory authority to require long-distance telephone subsidiary, as condition for certificate of public convenience and necessity to provide service as interexchange carrier, to compensate local exchange parent and its ratepayers for intangible benefits it received as result of use of parent's name, logo, and goodwill, as well as from availability of financing and trained nel. F.S.1979, § 364.35; U.S.C.A. Const.Amend., 5, 14.

**131 Constitutional Law 92 ↻3686**

92 Constitutional Law  
92XXVI Equal Protection  
92XXVI(E) Particular Issues and Applications  
92XXVI(E)12 Trade or Business  
92k3681 Licenses and Regulation  
92k3686 k. Carriers and Public Utili-  
ties; Railroads. Most Cited Cases  
(Formerly 92k241)

**Constitutional Law 92 ↻4370**

92 Constitutional Law  
92XXVII Due Process  
92XXVII(G) Particular Issues and Applica-  
tions  
92XXVII(G)17 Carriers and Public Utilities  
92k4370 k. Telecommunications. Most  
Cited Cases  
(Formerly 92k297)

**Eminent Domain 148** ← 2.15

**148 Eminent Domain**

**148j Nature, Extent, and Delegation of Power**

**148k2 What Constitutes a Taking; Police and Other Powers Distinguished**

**148k2.15 k. Telecommunications. Most**

**Cited Cases**

(Formerly 148k2(1.1))

**Telecommunications 372** ← 866

**372 Telecommunications**

**372iii Telephones**

**372iii(F) Telephone Service**

**372k854 Competition, Agreements and Connections Between Companies**

**372k866 k. Pricing, Rates and Access Charges. Most Cited Cases**  
(Formerly 372k75.1, 372k75)

Public Service Commission order requiring long-distance telephone subsidiary, as condition for certificate of public convenience and necessity to provide service as interexchange carrier, to compensate local exchange parent and its ratepayers for intangible benefits it received by using parent's name, logo, and goodwill, and by having access to parent's financing and trained personnel was neither confiscatory nor violative of due process and equal protection clauses of either State and Federal Constitutions. West's F.S.A. Const. Art. 5, § 3(b)(2); U.S.C.A. Const. Amends. 5, 14.

\*718 Julian Clarkson and Michael L. Rosen of Holland & Knight, Tallahassee, and Jerry M. Johns, Altamonte Springs, for appellants.

Susan F. Clark, Gen. Counsel, Florida Public Service Com'n, Tallahassee, for appellees.

Jack Shreve, Public Counsel, and Charles J. Rehwinkel, Associate Public Counsel, Tallahassee, for Citizens of the State of Florida.

OVERTON, Justice.

This cause is before us on appeal from a Public Service Commission ("PSC" or "Commission") order granting the application of **United Telephone Long Distance, Inc.**, for a Certificate of Public Convenience

and Necessity to provide long distance telephone service as an interexchange carrier. The Public Service Commission's order required **United Telephone Long Distance, Inc.**, to compensate its parent corporation, **United Telephone Company of Florida**, for use of its good will and intangible benefits. Both the long distance carrier and its parent challenge the latter compensation requirement. We have jurisdiction, article V, section 3(b)(2), Florida Constitution, and affirm.

The pertinent facts are as follows. **United Telephone Long Distance, Inc. (UTLD)**, is a wholly owned subsidiary of **United Telephone Company of Florida (UTF)**, a local exchange telephone company certificated and regulated by the Public Service Commission (PSC) to provide telecommunication services to all or parts of twenty-four Florida counties. **United Telephone of Florida** is a subsidiary of **United Telecommunications, Inc. (UTI)**, and another subsidiary of UTI is a fifty percent owner of U.S. Sprint, a national long distance company. These corporate interrelationships raised some unique concerns, the principal one being UTLD's close affiliation, as a wholly owned subsidiary of UTF, with a major local exchange company. The PSC ordered a public hearing because of certain concerns with cost allocation which that relationship presented. As a result, a number of long distance exchange companies, as well as public counsel, intervened to oppose UTLD's application. The Public \*719 Service Commission considered numerous issues, but the only issue now before this Court was framed in the following manner:

Should UTLD compensate UTF and its ratepayers for services and tangible and intangible benefits (including, but not limited to, use of UTF's name, logo, goodwill, information, personnel, facilities and financial resources), if any, UTLD receives from its association with UTF and its ratepayers?

This issue was first raised by public counsel, who was joined by PSC staff and several intervenors who suggested that the failure to compensate for these intangible benefits would give UTLD an unfair competitive advantage and deprive UTF's ratepayers of compensation for a benefit provided. They further asserted that UTF's name, logo, reputation, and heritage "was generated" to a large extent by ratepayers' funds and that UTF and its ratepayers should be compensated for their use. Two other major intangibles besides goodwill were the ready availability of

financing and trained personnel on call from UTF.

UTLD and UTF took the position that it was proper for UTLD to compensate UTF for tangible benefits but no compensation was justified for intangible benefits. The appellants argued that UTF's local ratepayers would be fully compensated by the payment of a premium excess charge and fees for services provided to UTLD under contractual arrangements plus the assigned portion of common cost assets and services shared by the two companies through PSC approved allocations. Appellants adamantly opposed any compensation for use of the United Telephone name, logo, and good will, as well as the intangible benefit provided by the availability of financing and trained personnel. UTF suggested that its good will and reputation and the availability of personnel and financing were acquired from expenditures borne by its stockholders and not furnished by the ratepayers.

The Commission, while accepting the principle advocated by public counsel of requiring compensation for intangibles, reduced the suggested amount of the required compensation, stating:

We find it is in the public interest to require UTLD to compensate UTF for the many intangible benefits it receives, including, but not limited to the following: the use of the United name; the use of the United logo; reliance on the United reputation; immediate access to financing; and the ability to capitalize, through contractual arrangements, on a trained, skilled workforce.

UTLD's relationship to UTF avoids all the start-up costs a fledgling competitor faces when it enters the long distance market. UTF is essentially a one-stop-shopping center for all of UTLD's technical, personnel, administrative, informational and financial needs. We find it unfair to allow UTLD to rely on these benefits without compensating UTF.

Accordingly, the compensatory fee reflects our belief that these benefits were established and are being maintained by the monopoly company, UTF, at ratepayers' expense. The actual fee to be collected shall equal 2.8% of the difference between net revenues (gross revenues minus uncollectibles) and originating and terminating access charges. However, in no event shall the fee exceed, on an after tax basis,

17.5% of UTLD's net operating income to be computed without the fee....

Finally, we recognize that in the future additional services will be provided by the unregulated entity. The result will be a vast pool of resources developed and maintained at the expense of the monopoly's ratepayers but used increasingly by unregulated operations. Therefore, by our action in this docket, we announce our intention to require payments to regulated utilities for intangible benefits provided to nonregulated affiliates.

[1][2][3] In this appeal, appellants argue that the imposition of the royalty requirement is (1) not supported by competent, substantial evidence; (2) unauthorized by statute; and (3) constitutionally impermissible because it is confiscatory and violative of due process and equal protection.

\*720 With regard to the first point, we find substantial competent evidence was provided by expert testimony and appellants' argument is without merit. As to the authority of the Commission, we find the condition on this certificate is in the public interest and authorized by section 364.35, Florida Statutes (1979). We note the appellants acknowledged that UTLD should compensate UTF for tangible benefits but took issue on the intangible benefits. The dispute, in our view, is a matter of degree-not a matter of authority.

Lastly, we find the order is neither confiscatory, nor violative of the due process or equal protection clauses of the state and federal constitutions. In effect, the Commission found that substantial resources developed by local telephone exchange ratepayers should not be utilized without compensation by the long distance service. In making this decision, the Commission attempted to balance two competing public interest considerations. The first was whether the public interest required a denial of UTLD's long distance application for the protection of UTF's monopoly customers and UTLD's market competitors from potential abuses arising through inappropriate allocation of costs or discrimination. The second was whether UTLD's application would be in the public interest and provide UTF's local customers with the opportunity for one-stop shopping for telephone service needs and the chance to have local rates positively affected by cost and revenue sharing with UTLD. After hearing substantial competing expert



testimony, the PSC resolved this dilemma by granting the application but making it conditional on paying for intangible benefits. We find its decision is consistent with its statutory authority and in accordance with the principles we have previously approved in AT & T Communications v. Marks, 515 So.2d 741 (Fla.1987); U.S. Sprint Communications Co. v. Marks, 509 So.2d 1107 (Fla.1987); and Microtel, Inc. v. Florida Public Service Commission, 483 So.2d 415 (Fla.1986).

Accordingly, the order of the Commission is affirmed.

It is so ordered.

EHRlich, C.J., and McDONALD, SHAW, BARKETT, GRIMES and KOGAN, JJ., concur.

Fla., 1989.  
United Telephone Long Distance, Inc. v. Nichols  
105 P.U.R.4th 532, 546 So.2d 717, 14 Fla. L. Weekly 326

END OF DOCUMENT

▷

In Re: Application of United Telephone Long Distance for Resale Certificate  
Docket No. 870285-TI  
Order No. 18939

Florida Public Service Commission  
March 2, 1988

APPEARANCES: PATRICK K. WIGGINS, Esquire, Ranson and Wiggins, Post Office Box 1657, Tallahassee, Florida 32301, on behalf of Microtel, Inc. BARRETT G. JOHNSON, Esquire, 116 South Monroe Street, P. O. Box 1308, Tallahassee, Florida 32302, on behalf of the Florida Association of Concerned Telephone Companies and Metromedia Long Distance, Inc. RICHARD D. MELSON, Esquire, Hopping, Boyd, Green & Sams, Post Office Box 6526, Tallahassee, Florida 32301, and KENRIC E. PORT, 400 Perimeter Center Terrace, N.E., Suite 400, Atlanta, Georgia 30346, on behalf of MCI Telecommunications. ROBERT J. MCKEE, JR., Esquire, 1200 Peachtree Street, Northeast, Post Office Box 7800, Atlanta, Georgia 30357, on behalf of AT&T Communications of the Southern States, Inc. PAUL SEXTON, Esquire, 1017 Thomasville Road, Suite C, Tallahassee, Florida 32303, on behalf of Teltec Savings Communications Company. CHARLES J. REHWINKEL, Esquire, c/o Florida House of Representatives, The Capital, Tallahassee, Florida 32399-1300, on behalf of the Citizens of the State of Florida. JERRY M. JOHNS, Esquire, Post Office Box 5000, Altamonte Springs, Florida 34716-5000, on behalf of United Telephone Company of Florida. ALAN N. BERG, Esquire, Box 5000, Altamonte Springs, Florida 32715-5000, on behalf of United Telephone Company of Florida. EVERETT BOYD, JR., Esquire, Ervin, Varn, Jacobs, Odom and Kitchen, Post Office Drawer 1170, Tallahassee, Florida 32302, on behalf of United Telephone Long Distance, Inc. DEBRA W. SCHIRO, ROBERT VANDIVER and TRACY HATCH, Esquires, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32399-0850, on behalf of the Commission Staff. PRENTICE P. PRUITT, Esquire, Florida Public Service Commission, 101 E. Gaines Street, Tallahassee, Florida 32399-0850, Counsel to the Commissioners.

Before Katie Nichols, Chairman, Thomas M. Beard, Gerald L. Gunter, John T. Herndon and Michael McK. Wilson, Commissioners.

ORDER GRANTING AUTHORITY TO OPERATE  
AS AN INTEREXCHANGE CARRIER

BY THE COMMISSION:

Upon proper notice, a public hearing was held in the above-noted docket, on September 23-24, 1987, in Tallahassee, Florida.

United Telephone Long Distance, Inc. (UTLD) filed an application for a Certificate of Public Convenience and Necessity, pursuant to Rule 25-24.470, Florida Administrative Code, to provide interexchange service in the interLATA market. UTLD is a wholly-owned subsidiary of United Telephone Company of Florida (UTF), a certificated local exchange company. UTLD's application asked that it be granted authority to provide MTS and WATS service in UTF's service area. We will grant UTLD's application, however not to the extent requested. Accordingly, UTLD will be restricted in the services it may receive through UTF's nonregulated accounting procedures. UTLD will also be required to compensate UTF for the intangible benefits it receives because of its association with UTF. Therefore, in consideration of the modifications we impose on UTLD, we hereby grant UTLD the authority to provide intrastate long distance service.

CASE BACKGROUND

UTLD's application stated its primary business would be the resale of interLATA MTS and WATS to business and residential customers located within the certificated service area of UTLD's parent, UTF. Such service offerings are to coincide with the conversion of UTF's local exchange central offices to equal access. The underlying facilities for WATS and MTS services will be those of US Sprint Communications Company (US Sprint), an interexchange company (IXC) certificated to operate in Florida. The facilities of other IXCs may also be used.

By Order No. 11206, issued September 29, 1982, this

Commission ordered the removal of tariff restrictions prohibiting the resale of intrastate WATS and MTS telephone service. In that order, we found that resellers were to be defined as, and treated as, telephone companies. As such, resellers must be certificated under Chapter 364, Florida Statutes, before they can provide telephone communication for hire within Florida. On October 4, 1982, we voted to allow the filing of applications for resale certificates and the submission of proposed tariffs. Since that date, we have approved certificates for over ninety providers of intrastate long distance service.

Most applications for an IXC certificate have been approved by issuance of a Proposed Agency Action (PAA) order. However, the specific nature of this application led us to set the matter for hearing on our own motion. UTLD's parent, UTF, is itself a subsidiary of United Telecommunications, Inc. Another subsidiary of United Telecommunications, Inc., U.S. Telecom, Inc., is a fifty percent owner of US Sprint. The interrelationship of the companies involved in UTLD's application, as well as other matters could best be addressed through the hearing process.

We granted intervention to the following telecommunications companies: AT&T Communications of the Southern States, Inc. (ATT-C); Florida Association of Concerned Telephone Companies (FACT); MCI Telecommunications Corporation, Inc. (MCI); Microtel, Inc. (Microtel); Metromedia Long Distance, Inc. (Metromedia); and Teltec Saving Communications Company (Teltec). Public Counsel also intervened in this docket.

The intervenors argued against UTLD's application to operate as an interexchange company. Several parties, as well as staff, took the position that, should approval be given, UTF's ratepayers should receive compensation for the benefits UTLD's association with UTF would provide.

UTF never formally intervened, but its attorneys appeared on its behalf at hearing and certain witnesses testified for both UTLD and UTF.

Of the over ninety certificated IXCs, only three are subsidiaries of local exchange companies (LECs). UTLD's application is significant because it represents the first instance in which a major local exchange company established a separate but wholly-owned

subsidiary to provide long distance service. It also represents the first instance in which a LEC-affiliated IXC will participate in equal access conversion. Therefore, UTLD's application raises significant public policy questions regarding both structural and functional separation, cost allocation, and the possibility that UTLD may enter the intraLATA competitive market against UTF in the event the toll monopoly currently reserved for the local exchange companies is eliminated.

#### UNITED TELEPHONE LONG DISTANCE'S PROPOSAL

Initially, UTLD will have only one full-time employee whose primary function will be to place facilities orders with UTF's interexchange carrier services center. UTLD will have no assets or facilities of its own. The majority of its functions will be performed by UTF employees. UTLD's proposal stated UTF would provide floor space and employee time (accounting, legal, tariff development, general services and engineering) through use of the nonregulated accounting procedures (NAP).

UTLD's capital will be provided by UTF through a combination of debt and equity investments. Interest on the debt will be charged to UTLD at UTF's short-term rate of interest, plus a portion of UTF's line of credit costs.

UTLD will provide originating interLATA service to UTF's customers in those exchanges converted to equal access. UTLD will order Feature Group D (FGD) premium access from UTF and deliver only originating traffic to US Sprint at a co-located point-of-presence (POP). Initially, UTLD intends to charge the same rates as AT&T Communications of the Southern States, Inc. (ATT-C).

UTF will provide billing and collection service and FGD access under UTF's Access Tariff. Operator services, telemarketing services, direct mail service, advertising and trouble reporting, which are presently being provided or offered to other IXCs, will be provided pursuant to contract.

It is UTLD's position that its proposal, as outlined above, meets the criteria set forth in Rule 25-24.471, Florida Administrative Code, and therefore is in the public interest and should be approved.

### THE PUBLIC INTEREST

Our rules provide that a public interest determination must be made before granting a Certificate of Public Convenience and Necessity. On the record before us, we must deny UTLD's application as filed. To do otherwise would introduce certain anti-competitive practices into the IXC market, foster cross-subsidization and permit UTLD to benefit from its close association with UTF without providing adequate compensation to UTF's ratepayers. We will, however, grant the application with certain modifications necessary to protect the public interest.

In reaching our decision, we have balanced the potential benefits to UTF's ratepayers against the potential detriments to UTLD's competitors. Witness Bruce Reynolds testified on behalf of UTLD/UTF and cited the following benefits:

1. UTLD will provide an additional choice for customers presubscribing to a long distance company, particularly in less populated areas.
2. UTLD's use of nonregulated accounting procedures will allocate a portion of UTF's common costs to UTLD.
3. By 1990, AT&T Communications of the Southern States, Inc. will significantly decrease its reliance on UTF's billing and collection services. Therefore, UTLD's use of UTF's billing and collection services will minimize UTF's loss of these above-the-line revenues.
4. UTLD will rely on the services of UTF operators.
5. Since UTLD will use UTF's billing and collection services, customers will receive only one bill, thereby reducing customer confusion.

In response, the intervenors cited several potential detriments:

1. Due to UTF's control of the local monopoly bottleneck, the arrangements between UTF and UTLD present the very real possibility of UTF acting unfairly and discriminatorily toward the other IXCs.

2. The entry of UTLD into the market will result in the decrease in the market share of the other IXCs.

3. Without full structural separation between UTF and UTLD, there are opportunities and incentives for UTLD's expenditures to be assigned to UTF without hope of detection.

4. Allowing UTF to provide capital to UTLD will result in a higher risk to UTF's ratepayers, thereby resulting in a more expensive cost of capital for the regulated company.

5. Customers will be confused as to who is actually providing their long distance service.

6. Due to the relationship between UTLD and UTF, UTF may be inclined to manipulate network development and attempt to optimize the interests of both UTF and UTLD, not just UTF's ratepayers.

The majority of the potential benefits and detriments presented by both sides are based on speculation. There is very little actual data available to predict how the long distance market will be affected by UTLD's entrance. We nevertheless reject Witness Reynolds's contention that, since the intervenors' concerns are speculative, they do not merit our consideration. Of the three IXC certificates previously awarded to affiliates of other LECs, not one of those LECs involved possessed a substantial customer base or had converted to equal access. These differences indicate we should proceed with caution before granting IXC authority to UTLD.

UTF serves thirty percent of the state with a customer base of over 800,000. In the past year, whenever UTLD appeared on the presubscription ballots in other state jurisdictions, it made a substantial impact on the market, garnering between 18 and 26 percent of presubscribed customers. This is a significant share of the market in view of the fact that this figure is higher than the combined percentage of all the other IXCs, excluding ATT-C. Therefore, despite arguments to the contrary, we find it appropriate to impose safeguards and monitoring procedures upon UTLD's operations.

An argument raised in opposition to UTLD's application was the high rates it intends to charge its customers. As stated earlier, UTLD proposes to mirror

ATT-C's rates, which are usually the highest inter-LATA long distance rates in the state. However, this factor alone is not enough to cause us to deny the application. We find that price alone is not the reason customers choose an IXC (if it were, ATT-C would not serve over 80% of the interLATA market). Instead, it is evident that customers consider many intangible, uneconomic factors, such as the familiarity of the IXC, its perceived service standards, its reputation, and the convenience of one-stop-shopping before determining from whom they will order long distance service. UTLD offers customers another IXC carrier, and that is a benefit we encourage.

Although Microtel and MCI questioned whether UTLD's existence would result in UTF's failure to spend resources and time on its equal access conversions, we believe UTLD's existence will enhance UTF's equal access conversions to the benefit of the ratepayers. We believe that, as a result of equal access conversion, there will be a corresponding increase in access rates, i.e., from nonpremium access rates to premium access rates, which will enhance UTF's access revenues, ultimately to the benefit of its ratepayers.

A review of the record demonstrates UTLD will directly capitalize on its association with UTF. The evidence indicates UTLD is relying on the name recognition and reputation of UTF and on the customers' assumption that United Telephone and United Telephone Long Distance are the same company. In fact, Witness Reynolds' statement that UTLD would rethink its entry into the market if it were required to change its name completely supports this belief.

UTLD directly benefits from UTF's established name and reputation. UTLD will be the only IXC in UTF's service area that consumers will directly associate with the company providing their local service. Witness Reynolds testified that UTF would oppose the use of the United name by any unaffiliated IXC. Thus, UTLD would be in an advantageous position if this benefit were without cost to it. It is therefore appropriate to require UTLD to pay to UTF a compensatory fee which will be addressed in further detail below.

#### CROSS-SUBSIDIZATION

During the hearing, MCI, Microtel and Teltec contended that the potential for cross-subsidization was

too great to justify approval of the proposed relationship between UTLD and UTF. We view concerns about cross-subsidization as valid and recognize that there will always be the potential for misallocations under any system which attempts to allocate shared resources. We have considered this issue in prior dockets in which UTF's use of allocation procedures was presented as an alternative to full structural separation.

In Dockets Nos. 860114-TL and 861017-TL, we approved UTF's nonregulated accounting procedures for separating the costs of its deregulated customer premises equipment and inside wire offerings. We based our approval upon a determination that the procedures appeared to adequately protect against cross-subsidies. However, in the instant case, we find UTF's procedures inadequate to protect against cross-subsidization. UTF's entire venture into the long distance market through a subsidiary is replete with new issues and concerns. We view the IXC market as a developing one, with the potential to be highly competitive. As such, we must ensure that the actions we take do not give any one IXC an undue competitive advantage. Accordingly, we direct that UTF may only employ nonregulated accounting procedures for those services it also offers to other IXCs.

To further protect against cross-subsidization, without completely eliminating UTF's ability to deal with its subsidiary, we will allow UTLD and UTF to enter into contractual arrangements for services that UTF may or may not choose to offer other IXCs. However, any such contract is subject to review pursuant to the following stipulation which the parties offered and we hereby approve:

United Telephone Company of Florida, UTF, agrees to make available to any certificated interexchange carrier, upon request, a list of UTF's departments providing services to United Telephone Long Distance and a copy of all contracts, agreements, memoranda or other documents that govern the price, terms or conditions on which services are provided to UTLD. The Commission shall have jurisdiction to enforce this agreement.

We believe this stipulation adequately protects the interests of all the parties and ensures that favoritism and discrimination will be minimized.

Staff recommended that UTLD should be certificated

only as a separate subsidiary of United Telecommunications, Inc., rather than as a subsidiary of UTF. Staff based its position upon its belief that the cost of capital to the regulated entity will increase to the extent the financial risk associated with the unregulated entity is greater. This tenet of public utility financial theory was supported by UTLD/UTF Witness McRae.

Mr. McRae testified:

No one would disagree that the risk associated with most interexchange carriers is greater than the risk of most regulated utilities.

Additionally, Teltec, MCI and Public Counsel opposed the provision of capital by UTF to UTLD due to the potential cross-subsidization effects, both to the ratepayers of UTF and the competitors of UTLD. These parties, along with staff, argued that the financing of nonregulated activities by a utility could have both cross-subsidization and anti-competitive implications. Staff argued that UTF is in the business of providing local telephone service, not financing the operations of an IXC, therefore UTF should be prohibited from providing capital to UTLD under any conditions. Staff stated that, even if UTF provided funds to UTLD at the market rate available to UTLD (thereby alleviating some of the concerns raised by Teltec and Public Counsel), it would place UTF in the unacceptable position of being in the financing business. In rebuttal, UTLD argued that conditions imposed upon its receipt of financing from UTF would impede its ability to compete and would unduly advantage its competitors without any corresponding public interest benefit. UTF attempted to relieve some of these concerns by pointing out that any capital UTF provides UTLD will be removed from the regulated rate base of UTF and not affect its ratepayers.

Upon review of the evidence before us, we reject staff's recommendation and hereby grant UTLD the authority to be structured as a subsidiary of UTF. This authority is broad enough to allow UTF to provide debt advances and equity capital to UTLD.

We believe the modifications outlined in this section will sufficiently "level the playing field" without completely destroying the benefits inherent in the relationship between UTF and UTLD.

#### COMPETITION

The evidence establishes that UTLD has the ability

and incentive to engage in anti-competitive conduct due to its affiliation with UTF, which controls the local exchange bottleneck. We recognize that ATT-C's control of local exchange facilities was one reason the Bell system was divested into an interexchange company and seven regional Bell holding companies. ATT-C's substantial domination of the telecommunications industry was another reason for divestiture. Thus, control of the local exchange network alone was not the sole basis for divestiture.

However, the incentive of those who control the local network to discriminate against competitors was one of the reasons for prohibiting the Bell operating companies from providing interexchange services. While these restrictions may not last indefinitely, it is unlikely they will be lifted until it is shown that adequate safeguards exist to ensure against anti-competitive conduct.

Ensuring against anti-competitive conduct is also the goal of this Commission. Restricting UTLD's use of nonregulated accounting procedures is intended to meet this objective. Accordingly, UTF may provide the following services to UTLD through tariff or contract:

1. Billing and Collection Services (tariffed);
2. Operator Services;
3. Telemarketing Services;
4. Direct Mail Services;
5. Trouble Reporting;
6. Feature Group D Access (tariffed);
7. Floor Space; and
8. Employee Time (eg., accounting, legal, tariff development, general services, engineering).

Fair competition will be maintained in UTF's offering of these services. UTF's Billing and Collection Service is presently being offered to ATT-C, as well as to other IXCs, pursuant to the Access Services Tariff. UTF already provides FGD access service, pursuant to tariff to several IXCs. Therefore, in situations in-

volving services provided pursuant to tariff, UTF must comply with tariff charges pursuant to Section 364.09, Florida Statutes, which prohibits rebates or special rates.

All other services enumerated in the foregoing list are to be offered pursuant to contract (unless the service is offered to all other IXCs in which case nonregulated accounting procedures may be used). These contractual arrangements may be afforded to all IXCs, and if so, will be provided in an equitable manner with similar terms and conditions as offered to UTLD. We are satisfied that the stipulation regarding the disclosure of contracts between UTF and UTLD will help ensure fair competition in the services provided by UTF. The record demonstrates that it is in UTF's best interest to deal fairly and equitably with all IXCs, whether through tariffed services or those offered pursuant to contract.

UTF will purchase UTLD's accounts receivable pursuant to UTF's Access Services Tariff which provides an adjustment for uncollectibles and how deposits held by UTF are applied. UTF's billing and collection services for UTLD should be in accordance with UTF's Access Services Tariff (Section E-8) which is identical to those billing and collection services performed for ATT-C and other IXCs.

We are satisfied that competition has been adequately addressed. However, we believe it is appropriate to impose certain conditions upon UTF's ability to share its proprietary information and/or other information with UTLD.

The following list, though by no means exclusive, identifies information considered proprietary by the IXCs: their access contracts; the number of customers they each serve; their individual traffic patterns; their credit reports; etc. Each of the IXCs in turn expressed the concern that the potential for abuse of proprietary information held by UTF was too great not to require some Commission intervention.

UTF responded that it intends to treat as confidential any information for which an IXC requests such treatment. Witness Reynolds stated that UTF maintains the confidentiality of contracts as standard practice. It was his opinion that the IXCs should be assured of fair treatment given UTF's track record in that area.

Although the record supports UTF's assertions regarding its prior "track record", we believe that, given the competitive nature of the IXC market, the certification of UTLD may provide UTF an incentive to misuse information. Therefore, we impose the following safeguards:

1. No officer or employee of UTLD shall have access to any proprietary information held by UTF unless somehow it meets condition 2;
2. Any information provided to UTLD should be available to all other Florida IXCs, be it confidential or otherwise;
3. UTF shall take steps to inquire of every IXC, whenever any IXC information is given to UTF, whether that information should be held confidential; and
4. Following the above guidelines, UTF and UTLD should submit to the Commission, for its approval, a plan on how UTF proposes to ensure that all proprietary information held by UTF will remain confidential.

Another potential threat to competition was raised by ATT-C. During the hearing, the attorney for ATT-C questioned whether the likelihood existed that UTLD would sell or transfer its eventual customer base to US Sprint. To alleviate this concern, UTF stipulated that there would be no transfer of a customer base from UTLD to anyone, without seeking the Commission's specific approval. We accept UTF's representation and believe it adequately addresses ATT-C's concern.

Finally, the parties and staff questioned whether the potential for customer confusion would hinder competition. UTLD is clearly relying on the United name to garner market share, and it's doubtful customers of UTLD will consider it an entity unrelated to UTF. Our desire is that UTF not purposely promote this concept through misleading advertisements. UTLD's marketing strategy, employed in other jurisdictions, encourages the customer to "stay with United, the people you know", or "avoid dealing with a stranger". We find this type of advertising to be misleading. Therefore, UTLD and UTF may not directly state or imply that doing business with UTLD is the same as doing business with UTF.

While we recognize this condition may prove difficult to enforce, we believe monitoring of the calls handled by marketing representatives will indicate if problems exist. Accordingly, UTF is directed to instruct its marketing agents not to discriminate against the other IXCs by suggesting potential customers subscribe to UTLD. Additionally, UTF shall provide to its pre-subscription customers, as a matter of practice, a list of all IXCs which will participate in presubscription in a given UTF service area.

We believe the conditions outlined in this section sufficiently lessen the potential anti-competitive effect UTLD's entrance into the market has upon the entire IXC industry.

#### COMPENSATION TO UNITED TELEPHONE COMPANY OF FLORIDA

Our final modification to UTLD's grant of authority is the imposition of the compensation payment. We find it is in the public interest to require UTLD to compensate UTF for the many intangible benefits it receives, including, but not limited to the following: the use of the United name; the use of the United logo; reliance on the United reputation; immediate access to financing; and the ability to capitalize, through contractual arrangements, on a trained, skilled workforce.

UTLD's relationship to UTF avoids all the start-up costs a fledgling competitor faces when it enters the long distance market. UTF is essentially a one-stop-shopping center for all of UTLD's technical, personnel, administrative, informational and financial needs. We find it unfair to allow UTLD to rely on these benefits without compensating UTF.

Accordingly, the compensatory fee reflects our belief that these benefits were established and are being maintained by the monopoly company, UTF, at rate-payers' expense. The actual fee to be collected shall equal 2.8% of the difference between net revenues (gross revenues minus uncollectibles) and originating and terminating access charges. However, in no event shall the fee exceed, on an after tax basis, 17.5% of UTLD's net operating income to be computed without the fee. Because UTLD only directly pays originating access charges, it must estimate its terminating access charges in order to implement this formula, because its terminating access charges will be paid through

another carrier. Therefore, for purposes of calculation, terminating access charges can be derived from conversation minutes. Conversation triggers the imposition of terminating access charges. Terminating minutes can then be estimated from originating minutes, since originating access minutes consist of two elements: conversation minutes and nonconversation minutes. Nonconversation time amounts approximately to 8.92% of intrastate interLATA 1+ messages. Therefore, intrastate interLATA terminating access minutes shall be computed by dividing originating access minutes by the variable 1.0892.

Finally, we recognize that in the future additional services will be provided by the unregulated entity. The result will be a vast pool of resources developed and maintained at the expense of the monopoly's rate-payers but used increasingly by unregulated operations. Therefore, by our ?? in this docket, we announce our intention to require payments to regulated utilities for intangible benefits provided to nonregulated affiliates.

#### FINDINGS OF FACT

1. United Telephone Long Distance's application for a Certificate of Public Convenience and Necessity must be modified to minimize the potential for anti-competitive practices and the possibility of cross-subsidization.
2. United Telephone Long Distance may exist as a separate subsidiary of United Telephone Company of Florida.
3. United Telephone Long Distance may receive financing from United Telephone Company of Florida.
4. United Telephone Company of Florida may employ its nonregulated accounting procedures for services it provides to United Telephone Long Distance only if it offers that service to all interexchange companies.
5. United Telephone Long Distance shall compensate United Telephone Company of Florida for use of the United name, logo and reputation, pursuant to the terms of this order.

#### CONCLUSIONS OF LAW



1. Approval of United Telephone Long Distance's application for a Certificate of Public Convenience and Necessity to provide intrastate long distance service is in the public interest.

2. United Telephone Company of Florida shall not discriminate in providing services to United Telephone Long Distance.

3. United Telephone Long Distance must comply with the terms of this order, as well as all applicable statutes and rules, including, but not limited to, Chapter 364, Florida Statutes, and Rules 25-24.455 through 25-24.495, Florida Administrative Code.

4. The stipulation among the parties, pursuant to which United Telephone Company of Florida will make available, to a requesting DXC, a list of its departments providing service to United Telephone Long Distance and a copy of all contracts, agreements, memorandum or other documents that govern the price, terms or conditions on which services are provided to United Telephone Long Distance, is in the public interest and is hereby approved.

ORDERING PARAGRAPHS

In view of the foregoing, it is therefore,

ORDERED by the Florida Public Service Commission, that all findings in the body of this order are hereby expressly adopted both in form and content. It is further

ORDERED that United Telephone Long Distance, Inc.'s application for a Certificate of Public Convenience and Necessity to provide long distance service is hereby granted in accordance with the requirements of this order. It is further

ORDERED that United Telephone Company of Florida, in conjunction with United Telephone Long Distance, Inc. submit a plan within thirty days of the issuance date of this order which outlines how United Telephone Company of Florida proposes to ensure that all proprietary information held by it remains confidential. It is further

ORDERED that United Telephone Company of Florida is bound by the representation of its attorney

that United Telephone Long Distance, Inc. will not sell or transfer its customer base without first obtaining this Commission's approval. It is further

ORDERED that this docket be closed upon receipt of United Telephone Company of Florida's plan (to be developed with United Telephone Long Distance, Inc.) which outlines the procedures it will follow in handling proprietary information.

By ORDER of the Florida Public Service Commission, this 2nd day of MARCH, 1988.

STEVE TRIBBLE, Director

Division of Records and Reporting

by: Kay Flynn

Chief, Bureau of Records

(SEAL)

As printed in Florida Public Service Commission Reporter

END OF DOCUMENT

**H**

In Re: Application of United Telephone Long Distance for Resale Certificate.  
Docket No. 870285-TI  
Order No. 19734

Florida Public Service Commission  
July 27, 1988

Before Katie Nichols, Chairman, Thomas M. Beard, Gerald L. Gunter, John T. Herndon and Michael McK. Wilson, Commissioners.

ORDER DISPOSING OF MOTION FOR RECONSIDERATION

BY THE COMMISSION:

The motion for reconsideration of certain portions of Order No. 18939, filed by United Telephone Long Distance, Inc. and United Telephone Company of Florida (UTF/UTLD) is denied. UTF/UTLD failed to allege sufficient facts for this Commission to conclude that it arrived at its decisions in that order due to mistake, oversight or misapprehension of law or fact. However, upon this Commission's own motion it has considered some of the rulings set forth in Order No. 18939 and hereby clarifies that order to the extent set forth below.

CASE BACKGROUND

Order No. 18939, issued March 2, 1988, granted UTLD the authority to provide interexchange services and allowed it to be structured as a subsidiary of UTF. That order imposed certain conditions and limitations upon the type of relationship that could exist between UTF, the parent and UTLD, its subsidiary. For instance, while we allowed UTF to provide financing to UTLD, we required UTLD to pay a compensatory payment to UTF for the benefits UTLD derived due to its affiliation with UTF. We also imposed conditions and limitations upon UTLD's authority to provide long distance service due to our concerns that the nature of the relationship between UTF/UTLD would increase the opportunity for anti-competitive practices or the possibility of cross-subsidization. All modifications to the original application reflected our attempt to bal-

ance the potential benefits to UTF's ratepayers with the potential detriments to UTLD's competitors that UTLD's entry into the marketplace could create.

On March 17, 1988, UTF/UTLD filed its motion for reconsideration alleging that portions of Order No. 18939 were "unnecessary, inappropriate and inconsistent with other findings and conclusions reached by the Commission." Specifically, UTF/UTLD asked for reconsideration of our prohibition against UTF employing its nonregulated accounting procedures for services it offers to UTLD unless those services were offered to other interexchange carriers (IXCs); our restriction on the manner in which UTF/UTLD could identify their business relationship; our requirement that UTF purposefully inquire of every IXC as to whether the information the IXC provides to UTF is confidential; and our statement in the order which announced our intention to require nonregulated affiliates to compensate the ratepayers of the regulated utilities for the benefits derived from the association.

DISCUSSION

Having considered the criteria necessary to sustain a motion for reconsideration, pursuant to Rule 25-22.060, Florida Administrative Code we conclude that UTF/UTLD failed to allege sufficient facts to support its position that our decisions in Order No. 18939 were arrived at due to error, oversight or misapprehension of law or fact. Accordingly, the motion is denied. However, we find it necessary to clarify certain portions of the order.

Our first modification to Order No. 18939 will be to delete the entire fourth paragraph on page ten of the order. We believe this paragraph contemplates a policy much broader than the one which may be drawn from our requirement of the compensatory payment in this docket. Accordingly, the paragraph will be stricken from the order.

Our second point of clarification will be to remove the affirmative obligation we imposed upon UTF to inquire of every IXC, each time the IXC provides information to UTF, whether the information must be treated as confidential. Instead, we will place the

burden on each IXC to classify its information as confidential and the responsibility on UTF to comply with such requests. We believe it is more appropriate to require each IXC to identify what material it wants handled confidentially than to order UTF to assume this responsibility.

The third point we considered will not result in a change to the order but will merely provide clarification. Order No. 18939 provides that "UTLD and UTF may not directly state or imply that doing business with UTLD is the same as doing business with UTF." We believe this statement sufficiently restricts UTF/UTLD from declaring that the two companies are one and the same. However, upon consideration, we conclude that the terms of the order do not prohibit UTF/UTLD from publicly identifying the relationship that exists between the regulated utility and the unregulated utility. Accordingly we have no objection to UTLD identifying itself as a subsidiary of UTF.

The final point we have considered results in a significant modification to the order. We have decided that UTF will be allowed to employ its nonregulated accounting procedures for services and facilities it deems appropriate to offer only to UTLD. We had originally limited UTF's use of its nonregulated accounting procedures to only those services and facilities it offered to other IXCs. Our prior decision to limit UTF's use of its nonregulated accounting procedures was done to ensure, to the greatest extent possible, an arms length relationship would exist between the parent company, UTF, and its subsidiary, UTLD. However, upon consideration we find that we have created an artificial barrier that would likely result in UTF either being forced to enter into contrived contracts in order to offer services to UTLD, or being forced to "offer" services to other IXCs knowing that no IXC would want the service. This was not the result we intended. Accordingly, we will permit UTF to utilize its nonregulated accounting procedures to govern the services and facilities it offers to UTLD which are not tariffed or suitable for contract. We are confident that this objective method of allocating costs will lessen the opportunity for cross-subsidization.

Therefore, based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Motion for Reconsideration of Order No. 18939 filed by United Telephone Long Distance, Inc.

and United Telephone Company of Florida is hereby denied. It is further

ORDERED that on our own motion Order No. 18939 is clarified or modified to the extent outlined in the body of this order. It is further

ORDERED that this docket remain open pending completion of our review of United Telephone Company of Florida's plan regarding its treatment of proprietary information submitted pursuant to Order No. 18939. It is further

ORDERED that Order No. 18939 is affirmed in all other respects, except as to portions modified by this order.

By Order of the Florida Public Service Commission, this 27th day of JULY, 1988.

STEVE TRIBBLE, Director

Division of Records and Reporting

As printed in Florida Public Service Commission Reporter

END OF DOCUMENT