

PSC DOCKET NO. 150075-EI

HEARING EXHIBITS 64, 65, 66 AND
67

PUBLIC VERSION

REDACTED

RECEIVED-FPSC
15 JUL 31 AM 11:25
COMMISSION
CLERK

EXHIBIT NO. 64

DOCKET NO:

150075-EI

WITNESS:

ROBERT BARRETT

PARTY:

FLORIDA INDUSTRIAL POWER USERS GROUP

DESCRIPTION:

CARLYLE MARCH 24, 2014 INDICATIVE PROPOSAL

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THE CARLYLE GROUP

520 Madison Avenue • New York, New York 10022
Tel (212) 381-4900 • Fax (212) 381-4901

STRICTLY PRIVATE & CONFIDENTIAL

March 24, 2014

Mr. Thomas Hartman
Director, Business Management
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408

Re: [REDACTED]

Dear Mr. Hartman,

[REDACTED]

1. PPA Background

Cedar Bay is a 250 MW circulating fluidized bed coal facility operating under the PPA with FPL, which by its terms, runs through January 2025. Pursuant to Appendix A of the PPA, FPL makes certain capacity payments to the Project including: (1) Base Capacity Credits, (2) Operations & Maintenance ("O&M") Credits, and (3) Bonus-bonus Capacity Credits.

[REDACTED]

[REDACTED]

EXHIBIT 38
Witness ELIANO
Date 5-27-15
Reporter: Sarah B. Gray

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STRICTLY PRIVATE & CONFIDENTIAL
March 24, 2014
Page 4

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[REDACTED]

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March 24, 2014

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STRICTLY PRIVATE & CONFIDENTIAL
March 24, 2014
Page 4

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[REDACTED]

EXHIBIT NO. 65

DOCKET NO: 150075-EI

WITNESS: ROBERT BARRETT

PARTY: FLORIDA INDUSTRIAL POWER USERS GROUP

DESCRIPTION: FPL MAY 20, 2014 OFFER



FPL.

CONFIDENTIAL

May 20, 2014

Mr. Matthew O'Connor
Managing Director
Co-fund head of Carlyle Power Partners
Carlyle Investment Management L.L.C.
The Carlyle Group
520 Madison Avenue
New York, New York 10022

Mr. Robert Mancini
Managing Director
Co-fund head of Carlyle Power Partners
Carlyle Investment Management L.L.C.
The Carlyle Group
520 Madison Avenue
New York, New York 10022

Re: Carlyle's preliminary, non-binding proposal letter dated March 24, 2014 (the "Indicative Proposal") for a potential transaction involving Cedar Bay Generating Company LP ("Cedar Bay" or the "Project")

Gentlemen:

We thoroughly reviewed your Indicative Proposal, as well as the follow-up discussion of April 16. Additionally, we have thoroughly analyzed the economics of your proposals for our customers' benefit.

We believe that your Indicative Proposal for the sale of CBAS Power to FPL, and subsequent resale to affiliates of Carlyle, appears to offer a structure that could provide value for FPL and our customers. We propose a price for the transaction you outlined of \$525 million.

Consummation of the transaction is subject to the results of our due diligence investigation, as well as successful negotiation of definitive documents for the transaction.

We look forward to working with you and your team to develop a definitive agreement beneficial to both parties, as well as expeditiously completing appropriate due diligence. In order to expedite the process, we propose that development of the needed documents and the due diligence effort proceed in parallel. Accordingly, we will be submitting our initial due diligence document list within the next week.

Should you have questions please contact either Tim Gerrish at (561) 691-7880 or by email to Timothy.Gerrish@FPL.com or Tom Hartman at (561) 691-7128 or by email to Tom.Hartman@FPL.com.

This response letter is for discussion purposes only. FPL is under no obligations to continue any negotiations regarding your Indicative Proposal. This letter is not intended to, and does not create a legally binding obligation on FPL. Any binding obligation can only occur upon execution of a definitive agreement, which would be in the sole and absolute discretion of the parties.

Sincerely,

Sam Forrest
Vice President
Energy Marketing & Trading
Florida Power & Light Company

Cc: Jim Larocque

Florida Power & Light Company

700 Universe Boulevard, Juno Beach, FL 33408



FPL.

CONFIDENTIAL

May 20, 2014

Mr. Matthew O'Connor
Managing Director
Co-fund head of Carlyle Power Partners
Carlyle Investment Management L.L.C.
The Carlyle Group
520 Madison Avenue
New York, New York 10022

Mr. Robert Mancini
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Sam Forrest
Vice President
Energy Marketing & Trading
Florida Power & Light Company

Cc: Jim Larocque

Florida Power & Light Company

700 Universe Boulevard, Juno Beach, FL 33408

EXHIBIT NO. 66

DOCKET NO:

150075-EI

WITNESS:

DAVID HERR

PARTY:

FLORIDA INDUSTRIAL POWER USERS GROUP

DESCRIPTION:

EXCERPT FROM OPC EXHIBIT #18 TO RUDOLPH
PRE-FILED TESTIMONY

DUFF & PHELPS

CONFIDENTIAL

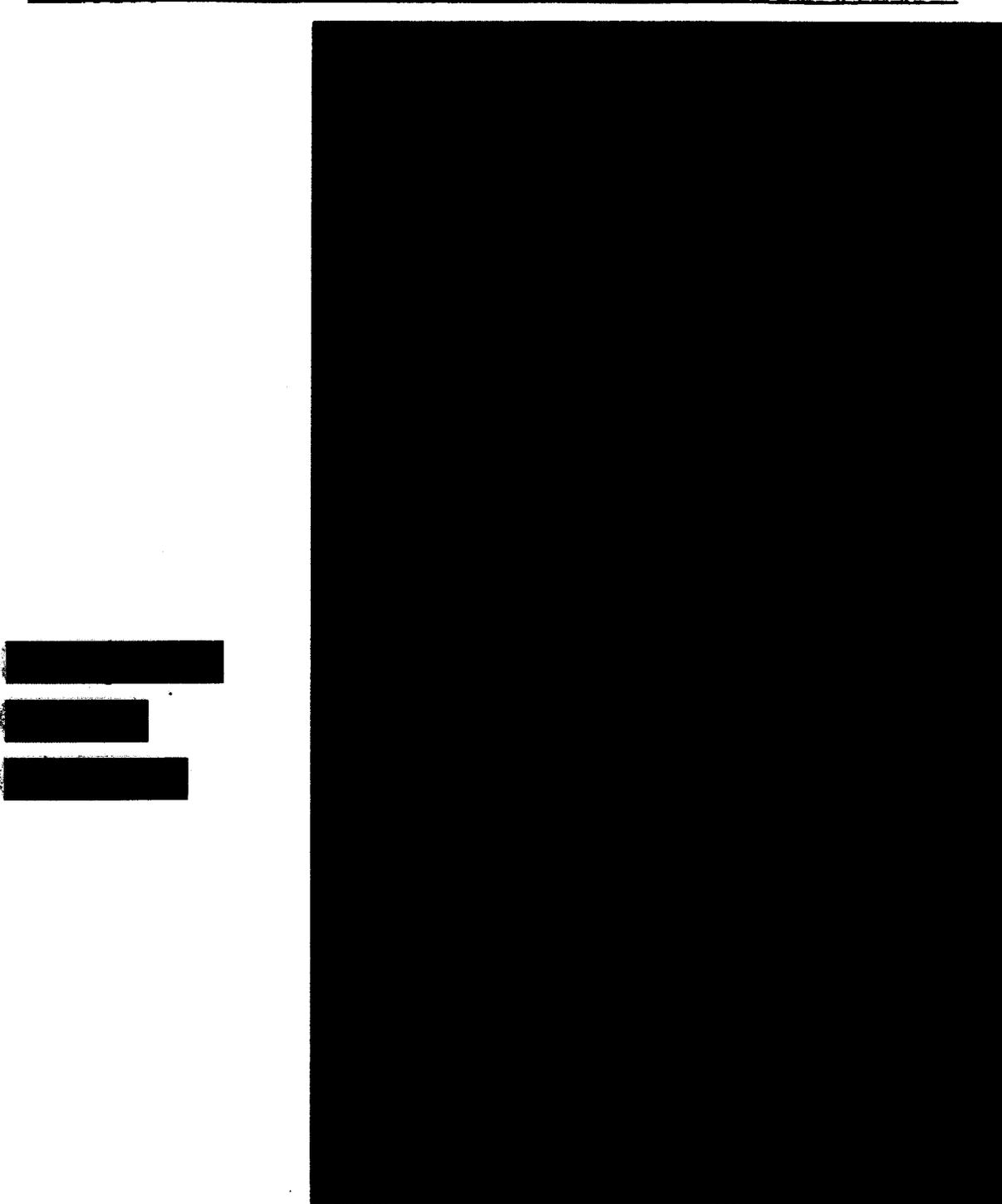
Valuation of Certain Tangible and
Intangible Assets & Liabilities of
Cogentrix Power Holdings LLC

April 5, 2013

Prepared for
Cogentrix Power Holdings LLC

EXHIBIT 18
Witness [Signature]
Date 5-15-15
Reporter: Sarah B. Gilroy

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DUFF & PHELPS

CONFIDENTIAL

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Cogentrix Power Holdings LLC

April 5, 2013

Prepared for
Cogentrix Power Holdings LLC

EXHIBIT 18
Witness [Signature]
Date 5-15-15
Reporter: Sarah B. Gilroy

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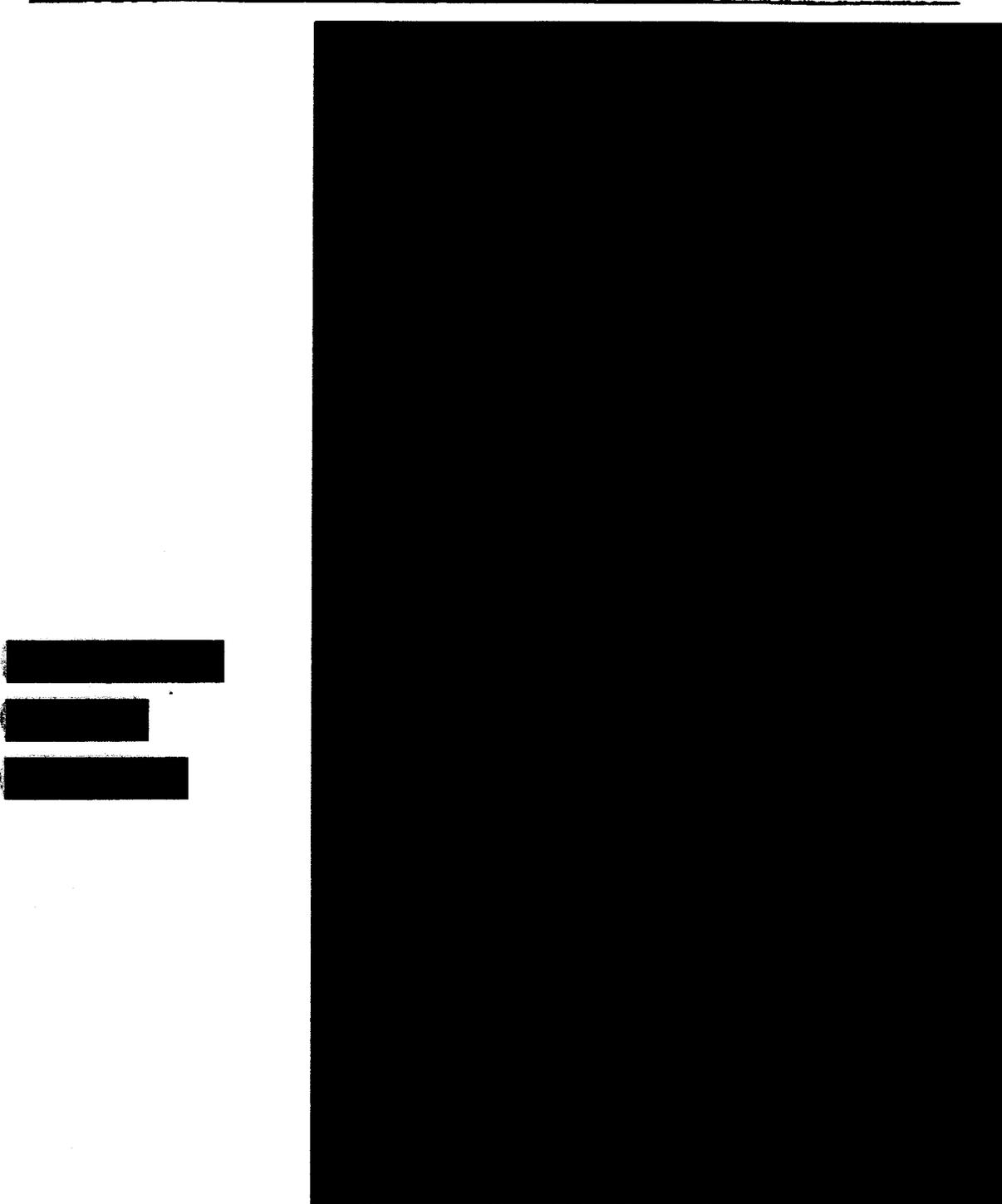


EXHIBIT NO. 67

DOCKET NO: 150075-EI

WITNESS: DAVID HERR

PARTY: FLORIDA INDUSTRIAL POWER USERS GROUP

DESCRIPTION: EXCERPT FROM OPC EXHIBIT #17 TO RUDOLPH
PRE-FILED TESTIMONY

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MEMORANDUM

TO: [REDACTED] II LLC 2013 accounting files

FROM: Phil Gregorich

DATE: 8/9/13

[REDACTED]

[REDACTED]

[REDACTED]

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EXHIBIT 17
Witness *[Signature]*
Date 5-15-15
Reporter: Sarah B. Gfroy

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MEMORANDUM

TO: [REDACTED] II LLC 2013 accounting files

FROM: Phil Gregorich

DATE: 8/9/13

[REDACTED]

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EXHIBIT 17
Witness *[Signature]*
Date 5-15-15
Reporter: Sarah B. Gfroy