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Public Service Commission

August 13, 2015

John T. Butler
Assistant General Counsel – Regulatory
700 Universe Boulevard
Juno Beach, Florida 33408
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STAFF'S FOURTH DATA REQUEST

Re: Docket No. 150075-EI - Petition for approval of arrangement to mitigate impact of unfavorable Cedar Bay power purchase obligation, by Florida Power & Light Company.

Dear Mr. Butler:

By this letter, the Commission staff requests that Florida Power & Light Company (FPL or Company) provide responses to the following data requests.

1. For the purposes of the following request, please refer to FPL's Responses to Staff's Second Data Request, No. 1, and FPL's 2012 Settlement Agreement, Exhibit 1, Section 10 (pages 10-12).
 - a. Section 10, subsection (b) of the 2012 Settlement Agreement details certain conditions guiding the Depreciation Reserve Surplus that the Company must amortize, one of which is: ". . . (i) the amount of Total Depreciation Reserve Surplus that FPL may amortize during the term shall not be less than \$191 million (or the actual amount of Total Depreciation Reserve Surplus remaining at the end of 2012)". FPL's Response to Staff's Second Data Request, No. 1, Question 1(a.), shows the amount of depreciation reserve surplus at 12/31/2012 to be approximately \$224 million. Is staff correct to assume that the approximate \$224 million figure supersedes the \$191 million figure as the amount of Depreciation Reserve Surplus the Company must amortize?
 - b. If the response to (a.) is affirmative, will the Company amortize the remaining Total Depreciation Reserve Surplus balance of approximately \$68.6 million, as identified in FPL's Response to Staff's Second Data Request, No. 1, Question 1(c.), on or before the last billing cycle of December 2016?

- c. If the response to (b.) is affirmative, and assuming the 2015 Settlement is approved, is staff correct to assume the \$30 million of reductions to the original \$400 million Reserve Amount will be made from the dismantlement portion of the Reserve Amount, as shown in FPL's Response to Staff's Second Data Request, No. 1, Questions 1(d.) and 1(e.)?
- d. If the response to (c.) is affirmative, does that make the new/revised dismantlement portion of the Reserve Amount that FPL is authorized to amortize during the settlement term equal to \$146,014,234 (not withstanding bottom-of-the-range ROE provision in section 3(b) of the 2015 Settlement Agreement)?
- e. If the responses to (b.) and (d.) are affirmative, is the (new) total discretionary (meaning the Company may or may not, at its own discretion, amortize during the 2012 Settlement's term) Reserve Surplus balance equal to \$146,014,234 (not withstanding bottom-of-the-range ROE provision in section 3(b) of the 2015 Settlement Agreement)?

Please file all responses electronically no later than August 19, 2015 from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6220 if you have any questions.

Sincerely,

/s/ John Villafrate

John Villafrate
Senior Attorney

JEV/as

cc: Office of Commission Clerk
Office of Public Counsel (Kelly, Rehwinkel, Truitt)
Florida Industrial Power Users Group (Moyle, Putnal)