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May 11, 2018

VIA ELECTRONIC FILING

Ms. Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Florida Power & Light Company,
Docket 20160154-EI

Dear Ms. Stauffer:

On July 5, 2017, pursuant to Order No. PSC-2016-0506-FOF-EI in the above referenced docket, Florida Power & Light Company (“FPL”) filed accounting entries for the books and records of FPL and its wholly owned subsidiary, Indiantown Cogeneration, L.P. (“Indiantown”). On July 17, 2017, FPL submitted revised accounting entries to correct errors identified in its original submittal. FPL also filed accounting entries for the transaction with the Federal Regulatory Energy Commission (“FERC”). FERC required the following additional revisions to the entries: 1) separate the journal entries for the equity investment acquisitions from the recognition of the loss associated with terminating the power purchase agreement (“PPA”) (see Attachment 1 – entries 1 and 2); 2) reflect FPL’s pushdown of Indiantown’s debt to the subsidiary level as a liability (Account 253) on FPL’s books instead of a reduction of the investment in subsidiary (Account 123.1) (see Attachments 1 – entry 1 and offsetting impact in Attachment 2 – entry 1); and 3) show the monthly amortization of the regulatory asset associated with the loss for terminating the PPA. It is important to note that none of these revisions to FPL and Indiantown’s accounting entries impact FPL’s previously proposed ratemaking treatment for the Indiantown acquisition.

To that end, FPL hereby submits revised final accounting entries for the transaction which now reflect on FPL’s books (Attachment 1) and on Indiantown’s books (Attachment 2). These enclosed revised final accounting entries were approved by the FERC on April 30, 2018.

Sincerely,

s/ William P. Cox

William P. Cox
Senior Attorney
Florida Bar No. 00935

cc: Counsel for Parties of Record
Andrew Maurey
Tom Ballinger

ATTACHMENT 1

FLORIDA POWER & LIGHT COMPANY
INDIANTOWN TRANSACTION
FINAL ACCOUNTING ENTRIES

Attachment 1

Entry No.	FERC Acct No.	FERC Account Description	Debit	Credit
1	1.	123.1 Investment in Subsidiary Companies	\$451,500,000	
2		253 Other Deferred Credits ⁽¹⁾		\$218,260,000
3		232 Accounts Payable		\$233,240,000
4				
5		<i>Purpose: To record equity purchase of Palm Power, LLC and Toyan Enterprises, LLC from Calypso Energy Holdings, LLC.</i>		
6				
7	2.	182.3 Other Regulatory Assets - Loss on PPA ⁽²⁾	\$451,500,000	
8		123.1 Investment in Subsidiary Companies		\$451,500,000
9				
10		<i>Purpose: To record the loss associated with terminating the preexisting contractual relationship between FPL and the acquired entity.</i>		
11				
12				
13	3.	242 Miscellaneous Current & Accrued Liabilities ⁽³⁾	\$6,734,366	
14		235 Customer Deposits ⁽⁴⁾	\$44,000	
15		232 Accounts Payable		\$6,772,130
16		123.1 Investment in Subsidiary Companies		\$6,236
17				
18		<i>Purpose: To record power purchase related activity with Calypso Energy Holdings, LLC prior to the acquisition.</i>		
19				
20	4.	142 Customer Accounts Receivable	\$201,696	
21		123.1 Investment in Subsidiary Companies	\$19,249,648	
22		232 Accounts Payable		\$19,451,344
23				
24		<i>Purpose: To record working capital associated with Indiantown Facility.</i>		
25				
26	5.	557 Other Expenses	\$4,180,556	
27		182.3 Other Regulatory Assets - Loss on PPA		\$4,180,556
28				
29		<i>Purpose: To record monthly amortization of the regulatory asset.</i> ⁽⁵⁾		

Notes:

- (1) Represents the liability on FPL's books primarily related to Indiantown's debt which was reclassified from FPL (Parent) to Indiantown (subsidiary) for reporting purposes. The liability associated with this reclass will be cleared once the debt has been paid down (late 2020) and the Indiantown facility has been retired (expected to occur in late 2020/early 2021).
- (2) Represents the loss associated with terminating the preexisting contractual relationship between FPL and the acquired entity in accordance with the ASC 805. Establishment of this account and amount was approved by the Commission in 157 FERC ¶ 61,022 (2016), Docket No. EC-16-148.
- (3) Represents the estimated purchased power billings from Calypso Energy Holdings, LLC to FPL for December 2016 and the first five days of January 2017.
- (4) Represents Calypso Energy Holdings, LLC deposit held by FPL in lieu of a letter of credit under the PPA when the contract initially went into effect. This amount was returned on date of purchase.
- (5) Amortization period is over the remaining term of the PPA at transaction date, which is approximately 108 months. Approval of amortization was provided by the Commission in 157 FERC ¶ 61,022 (2016), Docket No. EC-16-148.

ATTACHMENT 2

INDIANTOWN COGENERATION, L.P.
INDIANTOWN TRANSACTION
FINAL ACCOUNTING ENTRIES

Attachment 2

Entry No.	FERC Acct No.	FERC Account Description	Debit	Credit
1	1.	102 Electric plant purchased or sold	\$19,196,713	
2		186 Miscellaneous Deferred Debits	\$218,260,000	
3		221 Bonds		\$197,572,455
4		225 Unamortized Premium on Long-Term Debt ⁽¹⁾		\$20,187,545
5		253 Other Deferred Credits - Long Term Rail Car Lease Liability ⁽²⁾		\$8,000,000
6		242 Miscellaneous Current & Accrued Liabilities - Short Term Rail Car Lease Liability ⁽²⁾		\$1,000,000
7		230 Asset Retirement Obligations ⁽³⁾		\$10,696,713
8				
9		<i>Purpose: To record equity purchase of Palm Power, LLC and Toyan Enterprises, LLC from Calypso Energy Holdings, LLC.</i>		
10				
12	2.	131 Cash	\$15,644,218	
13		134 Other Special Deposits	\$1,000,000	
14		143 Other Accounts Receivable	\$6,825	
15		151 Fuel Stock	\$2,357,315	
16		154 Plant Materials & Operating Supplies	\$4,778,194	
17		165 Prepays	\$1,290,654	
18		231 Notes Payable		\$2,200,000
19		232 Accounts Payable		\$952,229
20		242 Misc Current & Accrued Liabilities		\$1,096,852
21		211 Miscellaneous Paid-In Capital		\$19,243,412
22		236 Taxes Accrued		\$1,584,644
23		241 Tax Collections Payable		\$69
24				
25		<i>Purpose: To record working capital associated with Indiantown Facility. ⁽⁴⁾</i>		
26				
27	3.	101 Electric Plant in Service - Land ⁽⁵⁾	\$8,500,000	
28		101 Electric Plant in Service - Asset Retirement Cost ⁽³⁾	\$10,696,713	
29		102 Electric plant purchased or sold		\$19,196,713
30				
31		<i>Purpose: To clear account 102, Electric Plant Purchased, and record the acquired assets.</i>		

Notes:

- (1) Represents the difference between the fair value and the cost of the bonds. The difference will be amortized over the life of the bonds, through 2020, as a credit to interest expense.
- (2) Represents the long term and short term amount of rail car contractual obligation which exceeds the fair value of the optimal amount forecasted for the future operations of the Indiantown Facility, which will be amortized over the remaining life of the PPA or 108 months.
- (3) Represents the estimated amount of dismantlement costs for the ICL facility.
- (4) Represents the transfer of working capital paid/received at closing including - coal inventory, spare parts, aragonite-limestone inventory, prepaids, accrued expenses, property and sales taxes payable.
- (5) Represents the fair value of the land. The Indiantown Facility has a fair value of zero. As such, FPL will record no book basis for the facility.

CERTIFICATE OF SERVICE
Docket No. 20160154-EI

I **HEREBY CERTIFY** that a true and correct copy of FPL's revised Accounting entries for the books and records of FPL and its wholly owned subsidiary, Indiantown Cogeneration, L.P., has been furnished by electronic mail on this 11th day of May, 2018 to the following:

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