

ANDREWS & KURTH L.L.P.

ATTORNEYS

HOUSTON WASHINGTON, D.C. DALLAS LOS ANGELES NEW YORK THE WOODLANDS LONDON 1701 PENNSYLVANIA AVENUE, N.W. SUITE 300 WASHINGTON, D.C. 20006.5805 TELEPHONE: 202.662.2700 FACSIMILE: 202.662.2739

MARK F. SUNDBACK DIRECT: 202,662,2755

EMAIL ADDRESS: MSUNDBACK@AKLLP.COM

March 1, 2002

Via Federal Express

Ms. Blanca S. Bayo, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re:

Review of the retail rates of Florida Power & Light Company,

Docket No. 001148-EI

Dear Ms. Bayo:

Enclosed on behalf of South Florida Hospital and Healthcare Association are the original and eight copies of the Motion To Compel Discovery Requests in the above referenced docket.

Please acknowledge receipt and filing of the above by stamping the duplicate copy and returning same in the enclosed self-addressed stamped envelope to the undersigned.

Thank you for your assistance in connection with this matter.

Very truly yours,

Mark F. Sundback

An Attorney For the Hospitals

Mark F. Susban C

Enclosures

cc:

AUS

SEC

Counsel for Parties of Record

RECEIVED & FILED

WAS:91916.1

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

02372 MAR-18

FPSC-COMMISSION CLERK

distant.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re:)	
Review of the retail rates of)	Docket No. 001148-EI
Florida Power & Light)	Date Filed: March 1, 2002
Company	j	

MOTION OF SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION TO COMPEL DISCOVERY RESPONSES

To: Honorable Commissioner Braulio L. Baez Prehearing Officer

Pursuant to Rule 28-106.303 of the Florida Administrative Code ("FAC"), the South Florida Hospital & Healthcare Association ("SFHHA") hereby moves for issuance of an order compelling full responses to discovery requests identified below to which Florida Power & Light Company ("FPL") has declined to provided complete answers.

I.

SFHHA filed on January 30, 2002 a motion to compel FPL's responses to SFHHA interrogatories Nos. 32 and 33. Interrogatory Nos. 32 and 33 sought information concerning transactions with entities with which FPL was affiliated, and sought identification of others involved in such transactions.

FPL opposed the motion to compel on February 6, 2002. By order of February 27, 2002, SFHHA's motion was granted by the Prehearing Officer.

Following the filing of FPL's response to SFHHA's Motion to Compel, SFHHA called FPL. In the interests of conserving time and resources of the Commission and the parties, SFHHA inquired if FPL would consider resolving, based on the outcome of the then-pending motion to compel, disputes involving a number of other discovery requests presenting issues comparable to that involved in the dispute over SFHHA Interrogatory Nos. 32 and 33. These

discussions continued for a number of weeks, as FPL indicated its sympathy to the notions of enhanced efficiency and conservation of resources. SFHHA designated several discovery requests that would be suitable for disposition based on the outcome of the pending dispute over Interrogatory Nos. 32 and 33. A copy of SFHHA's letter is attached hereto as Appendix A.

Unfortunately, FPL never managed to commit itself to this arrangement, notwithstanding its repetition of a variety of comments sympathetic to the idea.

Instead, after the concept had been under discussion for a protracted period, SFHHA was notified on the afternoon of February 27, 2002 that FPL, having reviewed the Prehearing Officer's February 27, 2002 ruling, not only was no longer interested in an arrangement to conserve resources and facilitate efficient discovery, but was not intending upon complying with the February 27, 2002 order. As a consequence, SFHHA regretfully files this motion.

II.

SFHHA moves to compel responses to nine discovery requests¹ to which FPL has attempted to providing relevant data. The following discovery requests are at issue:

Production of Documents:

Round I, No. 4; III -24; V -42, 43 and 45.

Interrogatories:

III- 30; V - 49 and 50; VI - 59.

Copies of the referenced requests are reproduced in Appendix B.

These requests are relevant for the same reasons identified in the Prehearing Officer's February 27, 2002 Order. The potential for transferring value from FPL ratepayers to FPL

This represents a reduction in the number of requests for which SFHHA seeks resolution compared to the fourteen listed in SFHHA's February 25, 2002 letter to FPL.

shareholders or to others is a significant and legitimate concern in a ratemaking docket. SFHHA will not reprise here the arguments contained in its January 30, 2002 Motion to Compel, but simply incorporates those arguments by reference.

Aside from the reasons cited in SFHHA's January 30, 2002 Motion to Compel and in the February 27, 2002 Order, there is another basis for directing FPL to produce the documents here at issue. The foundational grant of powers to this agency includes in Section 366.05 the authority to direct the production of "such reports or other data necessary to ensure that a utility's ratepayers do not subsidize non-utility activities." Section 366.05(9) ("Powers"). It would be hard to find much more explicit authority than this for mandating responses to the requests at issue. FPL to date has not acknowledged the existence of this statutory grant, much less argued why it is insufficient.

Moreover, the expansive scope of discovery afforded under the Florida Rules of Civil Procedure (see, e.g., Rule 1.280(b)(1)) are consistent with such a result. Cases interpreting parallel language from the Federal Rules of Civil Procedure demonstrate that the Commission has ample authority to compel production of the requested data, as evidenced by Afros S.P.A. v. Krauss-Maffei Corp., 113 F.R.D. 127 (D.Del 1986), cited by the Prehearing Officer in the February 27, 2002 Order. Not only that case, but others cited therein, directed a non-party corporate parent or affiliate to produce documents within its control or custody.

Here, FPL is controlled by the FPL Group. A significant portion of the FPL Group's income is derived from FPL's jurisdictional operations. Thus, the FPL Group is directly affected by changes in jurisdictional rates that may result if it is determined that value properly attributable to FPL ratepayers instead has been conveyed to others. FPL Group affiliates (including FPL) share, or lease to one another, assets, bill one another for services, and indeed

engage in undocumented transactions. *See, e.g.*, Appendix C hereto. In that sort of environment, full discovery becomes all the more important.

Ш

Needless to say, FPL's vigorous stonewalling now is disrupting the proceeding in at least three different ways. In order to keep the proceeding on track, and not permit FPL to benefit from its recalcitrance, SFHHA seeks the following relief.

First, because FPL has not produced data in a timely fashion, intervenors' opportunity to file direct testimony on related topics under the existing schedule has been impacted. To address this problem, SFHHA respectfully requests the opportunity to present supplemental testimony on these issues, if it desires, 7 calendar days after receipt of the last of the responses to the requests identified herein (which SFHHA respectfully requests be made available to SFHHA's counsel at their place of business, given FPL's intransigence on this issue). In this way, if FPL continues to ignore or oppose the determinations of the Prehearing Officer, then FPL, not others, will experience the consequences.

Second, a continuation of FPL's stonewalling will impede parties' ability to specify their issues as of March 14, 2002. SFHHA respectfully requests that any identification of issues and other functions attributable to the prehearing statement that involves the data now in dispute be deferred until the filing of testimony related to matters now in dispute.

Third, delay in resolving the instant dispute will impact the ability of parties to seek follow-up discovery. Thus, the Hospitals respectfully request that FPL be directed to respond to the discovery requests identified herein no later than March 12, 2002, and respond to follow-up requests regarding affiliates within 12 calendar days of receiving the requests. Without such assurances, FPL may attempt to "run out the clock," given the prior determination that discovery

in this proceeding be undertaken by April 1, 2002, and given the existing date of the hearing. Without the foregoing modifications, FPL will manage to benefit from its stonewalling and lack of cooperation even if it loses the instant dispute over providing the requested data.

III.

Pursuant to FAC Rule 28-106.303(c), SFHHA has conferred with FPL, the subject of this motion to compel, and SFHHA understands that FPL objects to the motion.

IV.

WHEREFORE, for the foregoing reasons, SFHHA respectfully requests that FPL be compelled to furnish full responses to SFHHA Interrogatories Nos. III -30, V -49 and 50; VI -59, and to request For Production of Documents I -4; and III -24; V -42, 43 and 45. Further, SFHHA respectfully requests the procedural relief identified above, so that FPL ultimately does not benefit from its own stonewalling.

Respectfully submitted,

Kenneth L. Wiseman

Mark F. Sundback

Andrews & Kurth L.L.P.

1701 Pennsylvania Avenue, N.W., Suite 300

March F. Some Barela

Washington, D.C. 20006

Ph. (202) 662-3030: Fax (202) 662-2739

ATTORNEYS FOR SFHHA

March 1, 2002

CERTIFICATE OF SERVICE DOCKET NO. 001148-EI

I HERBY CERTIFY that a true and correct copy of the foregoing has been furnished by

facsimile and U.S. Mail to the following parties, this 25 day of February, 2002.

Robert V. Elias, Esquire Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

John T. Butler, P.A. Steel Hector & Davis, LLP 200 South Biscayne Boulevard Suite 4000 Miami, Florida 33131-2398

R. Wade Litchfield Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420

Thomas A. Cloud/W. Christopher Browder Gray, Harris & Robinson, P.A. Post Office Box 3068 Orlando, Florida 32802-3068

John W. McWhirter, Jr., Esquire Attorney for FIPUG McWhirter Reeves 400 North Tampa Street, Suite 2450 Tampa, Florida 33601-3350 David L. Cruthirds, Esquire Attorney for Dynegy, Inc. 1000 Louisiana Street, Suite 5800 Houston, TX 77002-5050

William G Walker, III Vice President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1859

William Cochran Keating, IV, Esquire Staff Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

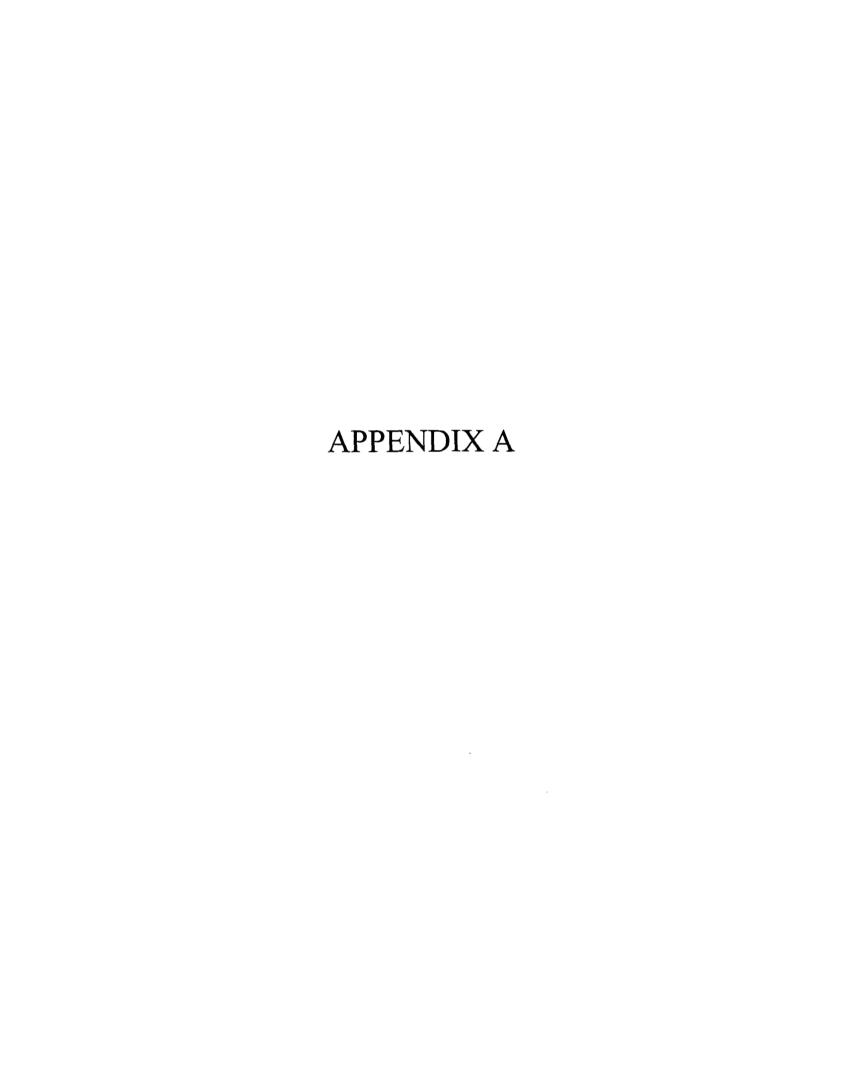
Joseph A. McGlothlin, Esquire Vicki Gordon Kaufman, Esquire Attorneys for FIPUG McWhirter Reeves 117 S. Gadsden Street Tallahassee, Florida 32301

Mr. Jack Shreve John Roger Howe Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, Florida 32399-1400

Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

Mark F. Sudpool

Mark F. Sundback



ANDREWS & KURTH L.L.P.

AFTORNEYS

AUSTIN
DALLAS
HOUSTON
LONDON
LOS ANGELES
NEW YORK
THE WOODLANDS

1701 PENNSYLVANIA AVENUE, N.W., SUITE 300 WASHINGTON, D.C., 20006 3805 TELEPHONE 202 662 2700 FACSIMILE 201 664 2739

MARK F SUNDBACK DIRECT 102 002 2755

eman address rusundhack@aldip.com

February 25, 2002

Via Facsimile and First Class Mail

John T. Butler, P.A. Steel Hector & Davis LLP 200 South Biscayne Boulevard Suite 4000 Miami, Florida 33131-2398

Re

Florida Power & Light Company, PSC Docket No. 001148-EI

Dear Mr. Butler:

We have discussed, on a number of occasions beginning during the week of February 11, 2002, an arrangement by which the disposition by the prehearing officer of the currently pending dispute on South Florida Hospital & Healthcare Association's ("SFHHA") third round interrogatory Nos. 32 and 33 would govern the treatment of a set of discovery requests that present the same issue. This dispute relates to whether responses should be limited to information solely within the possession or control of Florida Power & Light Company ("FPL or the "Company") or should include information and documents in the possession or under the control of affiliates of FPL as well. We have noted that such an arrangement would conserve the resources of our respective clients and those of the Public Service Commission as well.

You have requested a list of requests we would propose be governed by such an arrangement. The following lists the SFHHA discovery requests that would be governed by such an arrangement.

I - 1*
I - 4*

Production of Document Nos. III -24* and V-42, 43 and 45.

Interrogatory Nos. I - 49, III - 30*, V - 47, 49 and 50, VII - 64*, 69* and 71*.

ANDREWS & KURTH L.L.P.

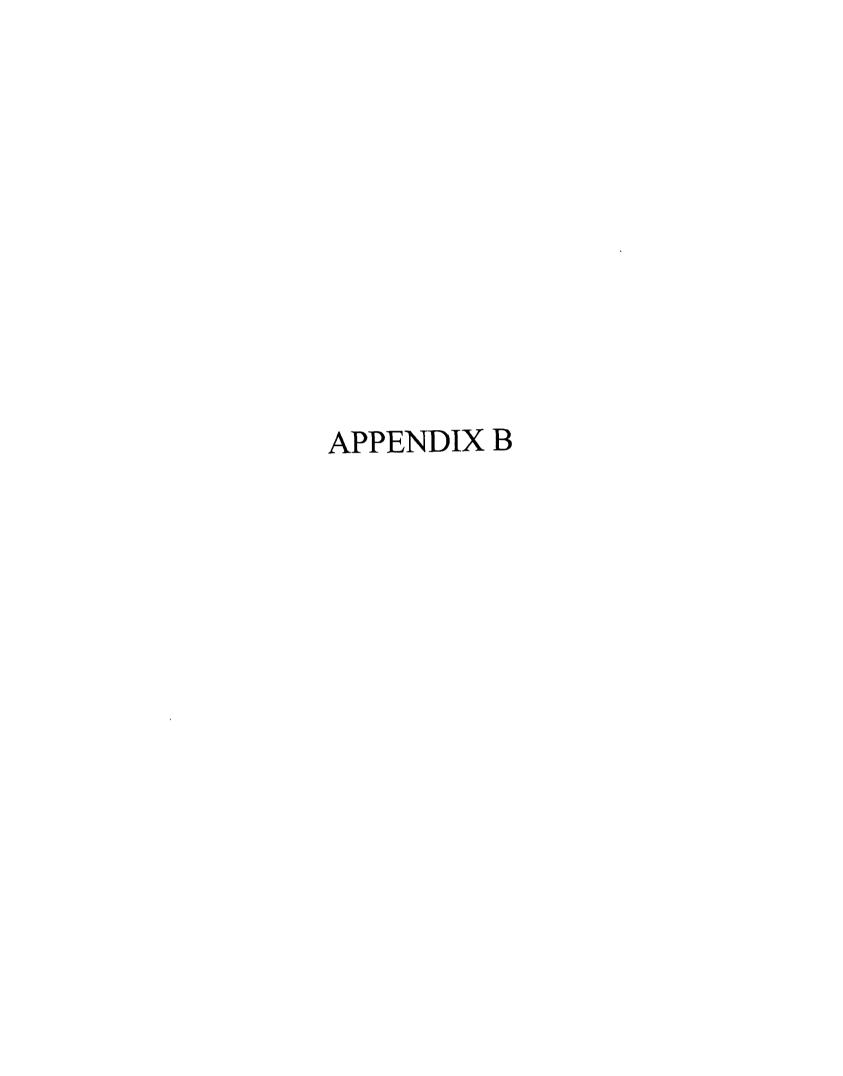
John T. Butler, P.A. February 25, 2002 Page 2

The foregoing list includes items (denoted with an asterisk) that were *not* identified in my voice mail to you this morning.

Please let us know whether your client will utilize this approach to avoid consumption of significant additional resources and time both for the Commission and the parties.

Very truly yours,

Kenneth L. Wiseman Mark F. Sundback Attorneys for South Florida Hospital & Healthcare Association



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION'S FIRST INTERROGATORIES AND REQUEST FOR DOCUMENTS TO FLORIDA POWER AND LIGHT COMPANY

Pursuant to Rule 25-22.034, Florida Administrative Code, and Rule 1.350, Florida Rules of Civil Procedure, South Florida Hospital and Healthcare Association ("SFHHA"), by and through its undersigned attorneys, hereby serves the following Interrogatories and Request For Production of Documents upon Florida Power and Light Company (FPL).

Please provide the following documents as directed below, no later than fourteen (14) days after service of this request.

INSTRUCTIONS AND DEFINITIONS

- 1. In answering each Request, please state the text of the Request prior to providing the response. Each Request and applicable response should be on a separate page. Where there are subparts to a Request, the answer to each subpart should be separately identified and labeled. Each Request is continuing in nature. Thus, if FPL acquires or discovers additional or different information with respect to a Request after the Request has been initially answered, please supplement the response promptly following the receipt of such additional or different information, giving the additional or different information to the same extent as originally requested. Initial and supplementary responses shall be full, complete and accurate since they will be relied upon for the purposes of this proceeding. For each Request, list all assumptions made by in answering said Request.
- 2. In the event that FPL asserts that any of the information requested is deemed by it to be privileged or proprietary, then FPL seven days prior to its written response should identify any such data, and any supporting documents, by date and general content. FPL should also identify all persons who participated in the preparation of the document and all persons, inside or outside FPL who received a copy, read or examined any such document or is aware of its contents. In addition, FPL should indicate its claim of

SOUTH FLORIDA HOSPITAL HEALTHCARE
& HEALTHCARE ASSOCIATION
First Set of Interrogatories and
Request For Documents
Questions 1-6
Page 7 of 7

- (e) The date of the Disposition;
- (f) The amount of gain or loss for ratemaking purposes experienced on the Disposition by FPL; and
- (g) A copy of the agreements or instruments (e.g., lease, contract of sale) effectuating the Disposition.
- 2. Please identify and provide all documents prepared to assist in presentations to credit rating agencies, investment bankers of other sources of capital or financing on or after April 15, 1999.
- 3. Please provide and identify all documents that compare FPL's levels of costs, revenues or earnings (or the rate of increase or decrease thereof) to those of another utility or other utilities, including historic or projected data, which have been prepared or obtained on or after January 1, 1999.
- 4. Please provide and identify any documents that relate to any future business transaction that is being considered between FPL and an affiliate.
- 5. Please provide all projections for costs or expenses (relating to items that are at least \$100,000 in the aggregate and stated in increments of at least \$10,000) that include in whole or in part any period subsequent to December 31, 2001, including budget projections.
- 6. Please provide any estimate of growth in revenues, number of customers, net profits, or units of sales or service relating to any period subsequent to December 31, 2001.

Mark F. Sundback Kenneth L. Wiseman Andrews & Kurth L.L.P. 1701 Pennsylvania Avenue, N.W. Suite 300 Washington, D.C. 20006 Ph. (202) 662-3030 Fax. (202) 662-2739 George E. Humphrey Florida Reg. No. 0007943 Andrews & Kurth L.L.P. 600 Travis, Suite 4200 Houston, Texas 77002-3090 Ph. (713) 220-4200 Fax. (713) 220-4285

Attorneys for the Hospitals and SFHHA

October, 2001

Third Set of Interrogatories - Questions 20-33 and

Request For Documents- Questions 15-25

Page 1 of 8

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of the Retail Rates of §
Florida Power & Light Company § Docket No.: 001148-EI

SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION'S THIRD SET OF INTERROGATORIES AND REQUEST FOR DOCUMENTS TO FLORIDA POWER AND LIGHT COMPANY

Pursuant to Rule 25-22.034, Florida Administrative Code, and Rule 1.350, Florida Rules of Civil Procedure, South Florida Hospital and Healthcare Association ("SFHHA"), by and through its undersigned attorneys, hereby serves the following Interrogatories and Request For Production of Documents upon Florida Power and Light Company (FPL).

Please provide the following responses and documents as directed below, no later than thirty (30) days after service of this request.

INSTRUCTIONS AND DEFINITIONS

SFHHA hereby incorporates by reference the Instructions and Definitions included in its First Set of Interrogatories and Requests for Production of Documents.

SOUTH FLORIDA HOSPITAL HEALTHCARE & HEALTHCARE ASSOCIATION Third Set of Interrogatories – Questions 20-33 and Request For Documents- Questions 15-25

Page 3 of 8

- 24. Please furnish a copy of any contract, agreement or undertaking with (a) FiberNet, (b) Adelphia Communications Corporation, or (c) the "cable limited partnership" referenced at p. 25 of the FPL Group 2000 Annual Report, or successors to any of the foregoing.
- 25. Please furnish any study or memorandum relating to revenues collected or rates charged for cable television or telecommunications companies' use of or access to any property of FPL, including any study or memorandum that compares such revenues or rates of FPL to those of other utilities or contains data concerning other utilities' revenues or rates for use of or access to utility property.

INTERROGATORIES

- 20. Please explain why the Company did not utilize the zero intercept method to classify distribution costs in its MFR cost of service filing, citing to related study or memoranda. Please explain any deficiencies you believe exist with respect to the zero intercept method.
- 21. Please provide a detailed explanation of the methodology used by the Company to classify all distribution plant accounts between demand and customer, citing to any related study or memoranda.
- Please provide a detailed explanation of the methodology used by the Company to classify all distribution expense accounts between demand and customer, citing to any related study or memoranda.
- 23. Please provide a detailed explanation of the methodology used by the Company to classify all general plant accounts between demand and customer, citing to any related study or memoranda.
- 24. Please provide a detailed explanation of the methodology used by the Company to classify all administrative and general expense accounts between demand and customer, citing to any related study or memoranda.
- 25. Please provide a detailed explanation of the methodology used by the Company to allocate all distribution plant accounts between demand and customer, citing to any related study or memoranda.
- 26. Please provide a detailed explanation of the methodology used by the Company to allocate all distribution expense accounts between demand and customer, citing to any related study or memoranda.

Third Set of Interrogatories - Questions 20-33 and Request For Documents- Questions 15-25 Page 4 of 8

- 27. Please provide a detailed explanation of the methodology used by the Company to allocate all general plant accounts between demand and customer, citing to any related study or memoranda.
- 28. Please provide a detailed explanation of the methodology used by the Company to allocate all administrative and general expense accounts between demand and customer, citing to any related study or memoranda.
- 29. Please explain each reason why rent from electric property (FERC Form No. 1, p. 300, line 19) fell from 1999 to 2000? Please identify the amount of revenue loss associated with each of your reasons. What is the anticipated level for this item in 2001 and 2002? Please provide your explanation for your projections. If you do not have this projection by FERC account number, please provide it in the form you have, and provide data for 1998, 1999 and 2000 in a comparable format.
- 30. Please separately identify by entity the rental rate(s) or other consideration paid by FiberNet, or each other entity now or previously affiliated with FPL, for access to or use of FPL property and the rental rate(s) or other consideration paid by non-affiliated entities for access to or use of FPL property.
- 31. Please identify those amounts to be accrued or paid in 2002 pursuant to the "FPL Group, Inc. Employee Retention Bonus Plan," the amount of such payments identified to Florida Power & Light Company retail operations, and explain how such amount was calculated.
- 32. Please identify the entities receiving gains on the sales of interests in FiberNet, Adelphia Communications Corp. and the one-third ownership interest in the cable limited partnership (referenced in Document Production Request No. 24) all as described in the FPL Group 2000 Annual Report, and the amount of such gain for each entity.
- Who were the other partners in the cable limited partnership (referenced in Document Production Request No. 24), and why was an FPL affiliate a partner in the enterprise? Identify the assets contributed, or any other consideration furnished, by FPL or an FPL affiliate as part of the participation in or formation of the partnership or the acquisition of any ownership share in the partnership.

Kenneth L. Wiseman Mark F. Sundback Andrews & Kurth L.L.P. 1701 Pennsylvania Avenue, N.W. Suite 300 George E. Humphrey Florida Reg. No. 0007943 Andrews & Kurth L.L.P. 600 Travis, Suite 4200 Houston, Texas 77002-3090

Fifth Set of Interrogatories (Nos. 48-57)

and Request for Production of Documents (Nos. 38-53)

Page 1 of 5

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of the retail rates of § Docket No.: 001148-EI Florida Power & Light Company § Date Filed: January 7, 2002

SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION'S FIFTH SET OF INTERROGATORIES NOS. (48-58) AND REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 38-53) TO FLORIDA POWER AND LIGHT COMPANY

Pursuant to Rule 25-22.034, Florida Administrative Code, and Rule 1.350, Florida Rules of Civil Procedure, South Florida Hospital and Healthcare Association ("SFHHA"), by and through its undersigned attorneys, hereby serves the following Interrogatories (Nos. 48-) Request For Production of Documents (Nos. 38-60), upon Florida Power and Light Company (FPL).

Please provide the following responses and documents as directed below, no later than thirty (30) days after service of this request unless a shorter response period has been designated by the Commission.

INSTRUCTIONS AND DEFINITIONS

SFHHA hereby incorporates by reference the Instructions and Definitions included in its First Set of Interrogatories and Requests for Production of Documents.

1. INTERROGATORIES

- With respect to FPL's response to Staff's Fourth Set of Interrogatories, No. 175, please provide a breakdown of each party's contribution to the total attachment revenue figure (i.e., \$18,076,249). Please provide the same type of information for calendar years 1996, 1997, 1998 and 1999.
- 49. With respect to footnote 1 contained in the "FPL Group Rating Agency Presentation" for 1999, furnished under a November 9, 2001 letter from FPL counsel, on the page captioned "FPL Group Capital Cash Generation and Financing Plan (\$millions)" please describe the business activities of and the history of FPL's ownership in Olympus

Fifth Set of Interrogatories (Nos. 48-57)

and Request for Production of Documents (Nos. 38-53)

Page 2 of 5

Communications, LP. Please identify the proportion of FPL Group Capital's interest in Olympus. Please identify the dates during which FPL Group Capital held an ownership interest in Olympus. Please identify the entity or entities from which such interest was purchased and to whom the interest was sold.

- 50. Refer to Document Production Request No. 44: With respect to the referenced 2000 FPL Group Rating Agency Presentation please identify the revenues and net income realized by month by FiberNet (or by quarter if monthly data are unavailable) and provide copies of projections of future FiberNet revenues.
- 51. With respect to FPL's response to SFHHA's Second Set of Interrogatories, No. 7, subpart C on pages 1, 2, and 3, please identify the date on which the "additional MWs" would be needed in order to maintain a (a) 15% and (b) 20% reserve margin.
- 52. With respect to FPL's response to SFHHA's Second Set of Interrogatories, No. 10, please provide your answer if the capital cost threshold for each project was reduced from \$5 million to \$1 million.
- 53. With respect to FPL's response to SFHHA's Second Set of Interrogatories, No. 12, please provide your answer if the threshold capital cost was reduced from \$5 million to \$1 million.
- 54. With respect to FPL's response to SFHHA's Second Set of Interrogatories, No. 15, please provide your answer if the threshold capital cost was reduced from \$5 million to \$1 million.
- 55. With respect to FPL's response to Staff's Sixth Set of Interrogatories, No. 217, please provide all workpapers associated with the estimated rate case cost of \$10,848,000 and provide a thorough explanation of each reason why FPL believes that amortizing the cost over a 2-year period is appropriate in lieu of amortizing it over a period of three years or longer. Also, please identify those power plant expenditures which require the need determination by plant and expenditure. Identify the docket in which the request for such a determination has been made and the status of such docket.
- 56. With respect to FPL's responses to Staff's Sixth Set of Interrogatories, No. 221, please provide your estimate by month for the forecast in 2002 or, if not available by month, then by quarter.
- 57. Please compare your operating budget by year established in advance for fiscal years 1998, 1999, 2000 and 2001 with the actual results of operations experienced during such respective periods.

Fifth Set of Interrogatories (Nos. 48-57) and Request for Production of Documents (Nos. 38-53)

Page 3 of 5

II. DOCUMENT PRODUCTION REQUESTS

- 38. Please provide all documents that project, estimate or discuss potential levels of revenue for any period on or after January 1, 2002 that may be realized from the use of assets or property rights that were held by FPL as of April 1, 1999 to the extent such revenue is not directly received for the performance of the distribution, transmission, transformation or generation of electricity.
- 39. With respect to FPL's response to Staff's First Set of Interrogatories, No. 29, in Docket No. 001148-EI, please provide support and documentation for the values shown for each year for the line labeled "Less: Pre-merger initiatives".
- 40. With respect to FPL response to Staff's First of Interrogatories, Interrogatory No. 31, please provide the documentation associated with the estimates of transition costs for the years 2002 and 2003, including the "Retention costs" and please identify those costs which will be incurred in 2002 notwithstanding the termination of the merger. Please identify where those costs are included in the MFR filing or alternatively show how those costs have not been incorporated in the MFR data.
- 41. With respect to FPL's response to Staff's Fourth Set of Interrogatories, No. 163, please provide the agreement pursuant to which any such attachment has been made, and indicate whether the party was or is affiliated with FPL. Please provide any study or other document projecting, estimating or discussing potential levels of revenues or rates attributable to attachments to FPL property (e.g., towers) of equipment owned or leased by third parties involved in telecommunications, cable television or non-electric utility service.
- 42. Provide copies of any contracts or other undertakings or agreements involving commercial relations between FPL and Olympus Communications LP (see FPL Group Rating Agency Presentation For 1999).
- 43. Please provide all studies performed to determine the proper value that should be received for the sale or disposition of one or more of the ownership interests in Olympus Communications LP, Adelphia Communications, and the "cable limited partnership" (see, e.g., FPL Group 1999 Annual Report, pp. 24 n.1 and 27) or property and property rights leased, sold or transferred to or made available to any of the foregoing. Please identify the individual or individuals preparing such documents, the date of preparation and the purpose for which they were prepared. Please provide and identify any other documents which relate to steps undertaken by FPL to determine whether the consideration furnished for any of the foregoing transactions reflected market value. For instance, please provide and identify any notices of availability, any posted notices of an auction, any request for proposals, or other notices. If no such documents exist, please so state.

Fifth Set of Interrogatories (Nos. 48-57)

and Request for Production of Documents (Nos. 38-53)

Page 4 of 5

- 44. With respect to the FPL Group Rating Agency presentation for 2000, furnished in this docket under cover letter of November 9, 2001 by FPL counsel, with respect to the page numbered 3 and captioned "Key Operational Indicators," please provide all documents which supported the assertion that it is expected that the downward trend in operating costs per kwh will continue in the future. Please identify the date when the Presentation was made.
- 45. With respect to the previously referenced 2000 FPL Group Rating Agency Presentation please provide copies of the contracts or agreements under which "FPL FiberNet acquired an inter-city fiber-network from FPL and is selling fiber-optic network capacity on a wholesale basis to telephone, cable television, internet service providers and other telecommunications companies in Florida."
- 46. With respect to the FPL Group Rating Agency Presentation for 2001, please provide a copy of the "2001 Power Plant Site Plan" referenced on the page numbered 5 of that presentation, and identify the date on which the rating agency presentation was prepared and finalized.
- 47. With respect to the FPL Group Rating Agency Presentation for 2001, and the page designated 8 therein, please provide all documents that FPL relied upon in making the statement contained in the last sentence contained on the page.
- 48. With respect to FPL's response to SFHHA's Second Set of Interrogatories, No. 7, pages 2, 3, 4, please provide the documents upon which the analysis described in subpart E on each of those pages was based.
- 49. With respect to FPL's response to SFHHA's Second Set of Interrogatories No. 7, please provide all documents evidencing when the in-service date for the project changed from 2003 to 2002.
- 50. With respect to FPL's response to SFHHA's Second Set of Interrogatories, No. 9, please provide all documents describing each cause or reason for the increase in the deferred pension debit.
- With respect to FPL's response to SFHHA's Second Set of Interrogatories, No. 10, please provide every estimate or quantification of savings or reduced costs that is projected to arise because of use of the ISCMS. Please provide the date on which each such document was prepared.
- 52. With respect to FPL's responses to Staff's Sixth Set of Interrogatories, No. 243, please provide in their entirety a copy of the September 30, 1999 and October 9, 2000 Standard & Poor's reports. Please provide all subsequent Standard & Poor's reports concerning Florida Power & Light Company, or its affiliates. With respect to the assertions contained in either of the Standard & Poor's reports provided in response No. 243, please identify

SOUTH FLORIDA HOSPITAL HEALTHCARE
& HEALTHCARE ASSOCIATION
Fifth Set of Interrogatories (Nos. 58-63)
and Request for Production of Documents (Nos. 54-56)
Page 1 of 4

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of the retail rates of § Docket No.: 001148-EI Florida Power & Light Company § Date Filed: January 22, 2002

SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION'S SIXTH SET OF INTERROGATORIES NOS. (58-63) AND REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 54-56) TO FLORIDA POWER AND LIGHT COMPANY

Pursuant to Rule 25-22.034, Florida Administrative Code, and Rule 1.350, Florida Rules of Civil Procedure, South Florida Hospital and Healthcare Association ("SFHHA"), by and through its undersigned attorneys, hereby serves the following Interrogatories (Nos. 58-63) Request For Production of Documents (Nos. 54-56), upon Florida Power and Light Company (FPL).

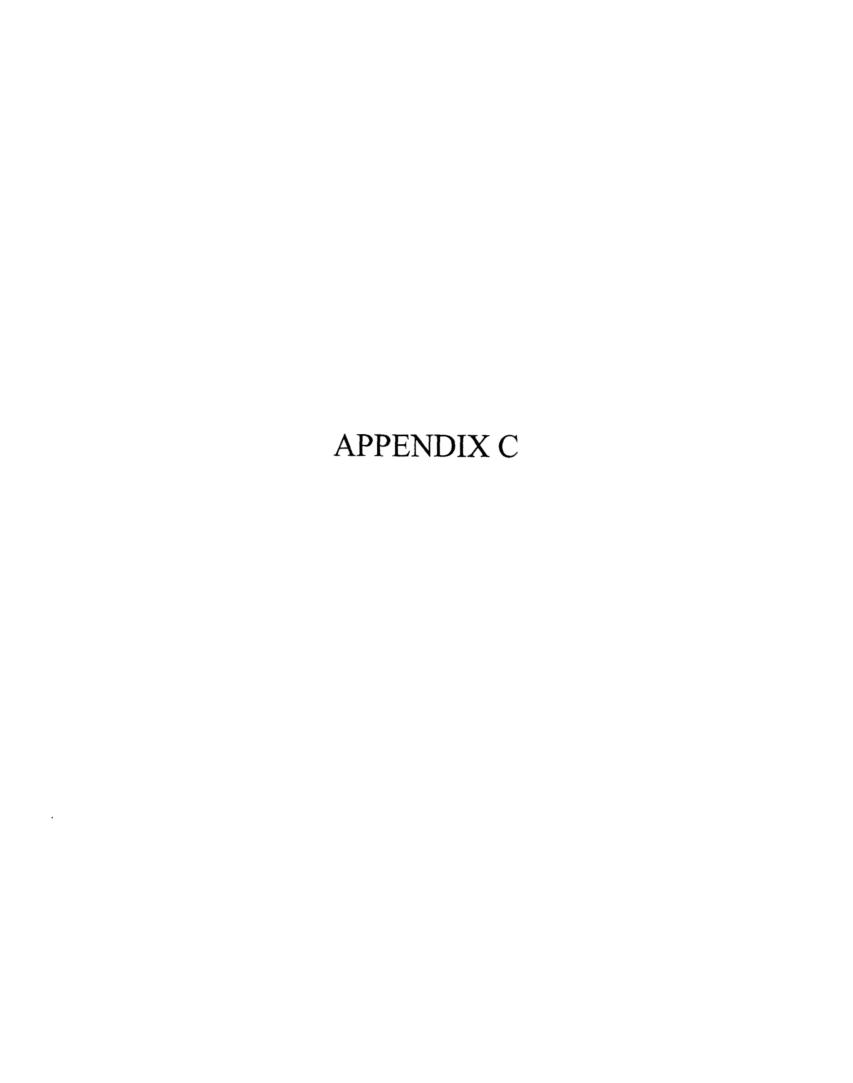
Please provide the following responses and documents as directed below, no later than twenty (20) days after service of this request unless a shorter response period has been designated by the Commission.

INSTRUCTIONS AND DEFINITIONS

SFHHA hereby incorporates by reference the Instructions and Definitions included in its First Set of Interrogatories and Requests for Production of Documents.

1. <u>INTERROGATORIES</u>

- Please identify each cost and/or category of cost by FERC account (or the most detailed level at which these costs are accounted for) that you project will decrease from 2001 to 2002, the amount of the decrease, and identify where in FPL's filing such decrease is shown. Please describe the reason(s) for such decrease.
- 59. Please demonstrate that revenues obtained by FPL from FiberNet for using routes originally owned by FPL have been accurately calculated and applied against FPL and the projected FPL test year revenue requirement. Provide all assumptions, data,



Florida Power & Light Company
Docket No. 001148-EI
OPC Third Request For Production of Documents
Request No. 89
Page 1 of 1

Q.

Please provide the agreement(s) between FPL and FPL FiberNet for the sale and purchase of FPL's fiber optic assets.

A.

There is no written agreement of purchase and sale for the transfer of the assets in question. The assets were transferred on the basis of two independent appraisals and pursuant to a release from the utility's mortgage and deed of trust.