$ 775,498.84	$ 758,348.38		
$ 3,350,265.37	$ 3,276,172.96	$ 4,547,145.00	$ (1,270,972.04)
0.00%	0.00%		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 308,790.98	$ 301,961.95		
$ 1,249.93	$ 1,222.29		
$ 221,305.53	$ 216,411.27		
$ 79,972.15	$ 78,203.54		
$ 0.00	$ 0.00		
$ 118,729.76	$ 116,104.01		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 79,276.60	$ 77,523.37		
$ 168,009.41	$ 164,293.82		
$ 36,640.48	$ 35,830.16		
$ 388,053.78	$ 379,471.82		
$ 406,446.86	$ 397,458.13		
$ 41,260.56	$ 40,348.07		
$ 0.00	$ 0.00		
$ 12,015.31	$ 11,749.59		
$ 13,372,602.35	$ 13,076,862.11		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 135,885.25	$ 132,880.09		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 31,795.48	$ 31,092.31		
$ 588.34	$ 575.33		
$ 8,746.66	$ 8,553.23		
$ 1,554,479.53	$ 1,520,101.62		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 61,166.64	$ 59,813.91		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 4,340,446.31	$ 4,244,455.67		
$ 21,367,461.91	$ 20,894,912.27	$ 27,910,607.00	$ (7,015,694.73)

	0.00%		0.00%				
$	49,321.11	$	48,230.35				
$	125,770.93	$	122,989.46				
$	0.00	$	0.00				
$	495,067.75	$	484,119.14				
$	693,584.89	$	678,245.99				
$	22,342.14	$	21,848.04				
$	309,653.77	$	302,805.66				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	20,306.76	$	19,857.67				
$	3,038,304.30	$	2,971,111.03				
$	222,779.73	$	217,852.87				
$	2,701.43	$	2,641.69				
$	47,252.12	$	46,207.12				
$	0.00	$	0.00				
$	519,640.88	$	508,148.82				
$	0.00	$	0.00				
$	26,442.06	$	25,857.28				
$	22,727,466.20	$	22,224,839.54				
$	28,033.37	$	27,413.40				
$	76,634.87	$	74,940.06				
$	101,057.20	$	98,822.28				
$	0.00	$	0.00				
$	53,430.48	$	52,248.85				
$	0.00	$	0.00				
$	1,698,639.21	$	1,661,073.15				
$	9,493.90	$	9,283.94				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	23,887.35	$	23,359.07				
$	0.00	$	0.00				
$	4,414,867.63	$	4,317,231.14				
$	34,706,678.06	$	33,939,126.53	$	46,357,990.00	$	(12,418,863.47)

	-18.00%		-1.80%
$	158,127.97	$	136,418.87
$	170,689.55	$	147,255.90
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	45,724.69	$	39,447.23				
$	0.00	$	0.00				
$	9,902.05	$	8,542.62				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	107,870.80	$	93,061.42				
$	233,873.80	$	201,765.70				
$	163,479.62	$	141,035.81				
$	160,692.66	$	138,631.47				
$	28,604.98	$	24,677.86				
$	11,860,146.96	$	10,231,889.49				
$	272,976.83	$	235,500.35				
$	231,376.24	$	199,611.03				
$	1,052,527.28	$	908,027.77				
$	78,240.59	$	67,499.08				
$	6,033,050.72	$	5,204,784.43				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	109,491.10	$	94,459.27				
$	156,437.91	$	134,960.84				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,696.06	$	1,463.21				
$	0.00	$	0.00				
$	284,630.49	$	245,554.10				
$	335,375.40	$	289,332.33				
$	6,876.33	$	5,932.29				
$	2,712.63	$	2,340.22				
$	47,834.45	$	41,267.35				
$	113,541.31	$	97,953.43				
$	21,665,880.41	$	18,691,412.08	$	29,249,282.00	$	(10,557,869.92)

	-18.00%		-1.80%
$	6,837.92	$	5,899.15
$	25,365.91	$	21,883.47
$	2,025.17	$	1,747.14
$	8,306.75	$	7,166.33
$	0.00	$	0.00
$	51,072.72	$	44,061.04
$	0.00	$	0.00

$	106,088.23	$	91,523.58				
$	281,900.49	$	243,198.90				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	159,022.87	$	137,190.92				
$	204,546.70	$	176,464.86				
$	292,557.53	$	252,392.85				
$	368,074.59	$	317,542.31				
$	19,683,847.43	$	16,981,488.72				
$	798,475.40	$	688,854.20				
$	849,314.38	$	732,713.59				
$	2,303,561.50	$	1,987,309.84				
$	6,634,029.50	$	5,723,255.96				
$	2,177,619.53	$	1,878,658.20				
$	8,818,921.05	$	7,608,187.82				
$	6,842,328.82	$	5,902,958.25				
$	96,451.05	$	83,209.47				
$	495,734.98	$	427,676.45				
$	0.00	$	0.00				
$	85,773.60	$	73,997.90				
$	49,028.83	$	42,297.75				
$	38,429.22	$	33,153.34				
$	684.60	$	590.61				
$	1,608.79	$	1,387.93				
$	162,519.31	$	140,207.33				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	5,545,786.79	$	4,784,416.06				
$	56,089,913.64	$	48,389,433.97	$	69,116,708.00	$	(20,727,274.03)

	-18.00%		-1.80%
$	69,867.51	$	60,275.53
$	137,649.94	$	118,752.24
$	2,901.50	$	2,503.16
$	5,973.78	$	5,153.65
$	0.00	$	0.00
$	0.00	$	0.00
$	77,817.15	$	67,133.78
$	323,993.66	$	279,513.18
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	196,223.05	$	169,283.95				
$	12,171.04	$	10,500.10				
$	378,906.89	$	326,887.47				
$	253,825.78	$	218,978.51				
$	46,363,661.74	$	39,998,481.06				
$	0.00	$	0.00				
$	1,043,943.13	$	900,622.12				
$	2,653,280.67	$	2,289,016.71				
$	3,548,346.58	$	3,061,200.69				
$	10,634,437.69	$	9,174,455.57				
$	559,974.68	$	483,096.80				
$	6,271,561.38	$	5,410,550.41				
$	765,764.80	$	660,634.38				
$	99,140.72	$	85,529.87				
$	0.00	$	0.00				
$	16,481.41	$	14,218.70				
$	49,756.14	$	42,925.21				
$	84,105.16	$	72,558.52				
$	350.18	$	302.11				
$	1,653.71	$	1,426.68				
$	172,947.37	$	149,203.75				
$	0.00	$	0.00				
$	3,253,757.28	$	2,807,055.01				
$	14,741.89	$	12,718.00				
$	76,993,234.83	$	66,422,977.16	$	94,298,628.00	$	(27,875,650.84)

	0.00%		0.00%
$	76,824.63	$	76,824.63
$	179,267.31	$	179,267.31
$	38,722.22	$	38,722.22
$	51,224.80	$	51,224.80
$	15,178.10	$	15,178.10
$	13,470.66	$	13,470.66
$	1,676.68	$	1,676.68
$	9,088.03	$	9,088.03
$	0.00	$	0.00
$	43,069.49	$	43,069.49
$	0.00	$	0.00
$	243,367.40	$	243,367.40
$	26,286.92	$	26,286.92
$	251,408.54	$	251,408.54
$	174,688.46	$	174,688.46

$	170,301.96	$	170,301.96				
$	236,847.04	$	236,847.04				
$	526,691.08	$	526,691.08				
$	160,039.03	$	160,039.03				
$	510,413.67	$	510,413.67				
$	244,202.11	$	244,202.11				
$	3,825,068.38	$	3,825,068.38				
$	357,244.89	$	357,244.89				
$	1,275,590.17	$	1,275,590.17				
$	21,717.59	$	21,717.59				
$	30,849.41	$	30,849.41				
$	398,167.23	$	398,167.23				
$	336,667.48	$	336,667.48				
$	232,360.90	$	232,360.90				
$	18,136.66	$	18,136.66				
$	11,812.55	$	11,812.55				
$	4,634.69	$	4,634.69				
$	22,312.32	$	22,312.32				
$	56,900.92	$	56,900.92				
$	50,168.13	$	50,168.13				
$	2,154.01	$	2,154.01				
$	32,955.14	$	32,955.14				
$	964.10	$	964.10				
$	9,650,472.68	$	9,650,472.68	$	14,222,976.00	$	(4,572,503.32)

	0.00%		0.00%
$	161.72	$	161.72
$	546.01	$	546.01
$	4,613.28	$	4,613.28
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	295,874.20	$	295,874.20
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	97,810.29	$	97,810.29				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	86,343.33	$	86,343.33				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	3,254.74	$	3,254.74				
$	203,027.55	$	203,027.55				
$	0.00	$	0.00				
$	2,335.32	$	2,335.32				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	717,613.48	$	717,613.48				
$	1,411,579.90	$	1,411,579.90	$	2,132,477.00	$	(720,897.10)

	0.00%		0.00%
$	1,588.14	$	1,588.14
$	3,093.09	$	3,093.09
$	0.00	$	0.00
$	1,902.96	$	1,902.96
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	422,558.25	$	422,558.25
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	289,180.94	$	289,180.94
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$ 85,610.09	$ 85,610.09			
$ 0.00	$ 0.00			
$ 299,442.18	$ 299,442.18			
$ 159,932.91	$ 159,932.91			
$ 0.00	$ 0.00			
$ 97,844.88	$ 97,844.88			
$ 0.00	$ 0.00			
$ 2,341.87	$ 2,341.87			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 471,563.19	$ 471,563.19			
$ 1,835,058.51	$ 1,835,058.51	$ 2,915,692.00	$ (1,080,633.49)	
$ 1,532,933,517.82	$ 1,478,030,587.11	$ 2,121,178,163.00	$ (384,584,867.00)	$ (384,584,867.00)

-12.00%	0.00%
$ 122,794.60	$ 109,638.03
$ 23,496.92	$ 20,979.40
$ 79,848.33	$ 71,293.15
$ 62,092.55	$ 55,439.78
$ 0.00	$ 0.00
$ 72,753.58	$ 64,958.56
$ 0.00	$ 0.00
$ 242,509.85	$ 216,526.65
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 542,608.12	$ 484,471.54
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 6,133,386.78	$ 5,476,238.20
$ 485,636.42	$ 433,603.95
$ 39,307,323.68	$ 35,095,824.71
$ 308,728.33	$ 275,650.29
$ 391,245.22	$ 349,326.09
$ 0.00	$ 0.00
$ 338,271.07	$ 302,027.74
$ 24,182.20	$ 21,591.25
$ 15,627.82	$ 13,953.41
$ 32,402.61	$ 28,930.91
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 39,535.81	$ 35,299.83

$	0.00	$	0.00				
$	0.00	$	0.00				
$	25,139.16	$	22,445.68				
$	0.00	$	0.00				
$	56,938.53	$	50,837.97				
$	80,607.51	$	71,970.99				
$	0.00	$	0.00				
$	7,353.28	$	6,565.43				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,004.92	$	1,790.11				
$	0.00	$	0.00				
$	4,994.40	$	4,459.29				
$	485.99	$	433.92				
$	115,965.27	$	103,540.42				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	17,444.71	$	15,575.64				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	166,787.58	$	148,917.48				
$	175,816.37	$	156,978.91				
$	48,875,981.62	$	43,639,269.30	$	50,852,187.00	$	(7,212,917.70)

	-12.00%		0.00%
$	7,872.77	$	7,029.26
$	1,288.97	$	1,150.87
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00
$	3,165,123.91	$	2,826,003.49
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,177.27	$	1,943.99				
$	3,176,462.92	$	2,836,127.61	$	4,026,215.00	$	(1,190,087.39)

	-12.00%		0.00%
$	4,894.64	$	4,370.21
$	801.35	$	715.49
$	6,544.18	$	5,843.02
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	1,936,694.21	$	1,729,191.26
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
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$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
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$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	15,302.95	$	13,663.35				
$	1,964,237.32	$	1,753,783.32	$	2,163,032.00	$	(409,248.68)

	-3.00%		0.00%
$	14,228.66	$	13,814.23
$	2,329.45	$	2,261.60
$	0.00	$	0.00
$	108,191.39	$	105,040.18
$	0.00	$	0.00
$	385,108.33	$	373,891.58
$	0.00	$	0.00
$	0.00	$	0.00
$	154,314.81	$	149,820.21
$	0.00	$	0.00
$	440,569.76	$	427,737.63
$	0.00	$	0.00
$	0.00	$	0.00
$	9,153.37	$	8,886.77
$	0.00	$	0.00
$	0.00	$	0.00
$	1,490,370.38	$	1,446,961.54
$	382,462.55	$	371,322.86
$	1,924,377.29	$	1,868,327.47
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	49,440.37	$	48,000.36				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
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$	0.00	$	0.00				
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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	247,460.55	$	240,252.97				
$	115,239.08	$	111,882.60				
$	5,323,245.99	$	5,168,199.99	$	5,588,631.00	$	(420,431.01)

	-3.00%		0.00%
$	1,006.51	$	977.19
$	164.71	$	159.92
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	327,553.44	$	318,013.05
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	27,120.97	$	26,331.04				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	12,730.77	$	12,359.97				
$	368,576.41	$	357,841.17	$	399,889.00	$	(42,047.83)

	-3.00%		0.00%
$	1,006.17	$	976.86
$	164.68	$	159.89
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	350,967.87	$	340,745.51				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	10,094.44	$	9,800.43				
$	362,233.16	$	351,682.68	$	388,555.00	$	(36,872.32)

	-2.00%		0.00%				
$	45,027.84	$	44,144.94				
$	1,225,736.43	$	1,201,702.38				
$	2,088,442.95	$	2,047,493.09				
$	1,187,583.65	$	1,164,297.70				
$	514,612.74	$	504,522.29				
$	118,268.10	$	115,949.12				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	55,403.96	$	54,317.61				
$	0.00	$	0.00				
$	10,192.07	$	9,992.23				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	659,890.98	$	646,951.94				
$	461,087.10	$	452,046.18				
$	27,244.22	$	26,710.02				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1.73	$	1.70				
$	8,409.88	$	8,244.98				
$	6,401,901.64	$	6,276,374.16	$	4,458,564.00	$	1,817,810.16

-2.00%	0.00%		
$ 182,898.10	$ 179,311.87		
$ 296,936.11	$ 291,113.83		
$ 593,202.82	$ 581,571.39		
$ 2,078,035.98	$ 2,037,290.18		
$ 202,982.73	$ 199,002.68		
$ 2,380,213.70	$ 2,333,542.84		
$ 5,724,820.94	$ 5,612,569.55		
$ 329,213.06	$ 322,757.90		
$ 489,970.10	$ 480,362.84		
$ 123,612.92	$ 121,189.13		
$ 29,287.36	$ 28,713.10		
$ 53,979.99	$ 52,921.56		
$ 0.00	$ 0.00		
$ 482,866.00	$ 473,398.04		
$ 9,401.99	$ 9,217.64		
$ 249,545.80	$ 244,652.75		
$ 56,597,853.10	$ 55,488,091.27		
$ 26,667.05	$ 26,144.17		
$ 258,520.01	$ 253,450.99		
$ 1,064,908.07	$ 1,044,027.52		
$ 0.00	$ 0.00		
$ 556,829.09	$ 545,910.87		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 14,037.99	$ 13,762.74		
$ 5,688.84	$ 5,577.29		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 15,515.56	$ 15,211.33		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 1,890.73	$ 1,853.66		
$ 71,768,878.04	$ 70,361,645.14	$ 79,153,790.00	$ (8,792,144.86)

-2.00%	0.00%
$ 164,218.76	$ 160,998.78
$ 260,822.44	$ 255,708.27
$ 265,322.60	$ 260,120.20

$	1,380,951.06	$	1,353,873.59
$	3,736,453.66	$	3,663,189.86
$	2,464,477.26	$	2,416,154.17
$	468,393.76	$	459,209.57
$	15,514.82	$	15,210.60
$	1,108.38	$	1,086.65
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	1,558.99	$	1,528.42
$	7,714.80	$	7,563.53
$	0.00	$	0.00
$	300,332.72	$	294,443.84
$	54,980,475.88	$	53,902,427.33
$	23,683.11	$	23,218.73
$	642,901.88	$	630,295.96
$	0.00	$	0.00
$	870,981.82	$	853,903.75
$	4,629.40	$	4,538.62
$	0.00	$	0.00
$	61,736.36	$	60,525.85
$	0.00	$	0.00
$	15,517.48	$	15,213.22
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	20,610.82	$	20,206.69
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
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$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	244,808.55	$	240,008.38				
$	65,932,214.54	$	64,639,426.02	$	68,302,654.00	$	(3,663,227.98)

	40.00%		40.00%				
$	4,782.61	$	4,782.61				
$	130,190.94	$	130,190.94				
$	202,704.79	$	202,704.79				
$	280,180.05	$	280,180.05				
$	9,668.11	$	9,668.11				
$	8,045.53	$	8,045.53				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	5,311.53	$	5,311.53				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,429.14	$	2,429.14				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.02	$	0.02				
$	23.65	$	23.65				
$	643,336.37	$	643,336.37	$	265,516.00	$	377,820.37

	40.00%		40.00%
$	19,426.42	$	19,426.42
$	31,538.91	$	31,538.91
$	57,576.41	$	57,576.41
$	490,259.55	$	490,259.55
$	3,813.47	$	3,813.47
$	161,920.92	$	161,920.92
$	211,644.66	$	211,644.66

$	529.85	$	529.85				
$	345.58	$	345.58				
$	1,117.77	$	1,117.77				
$	2,807.75	$	2,807.75				
$	22,043.39	$	22,043.39				
$	0.00	$	0.00				
$	57,775.31	$	57,775.31				
$	152.52	$	152.52				
$	73.43	$	73.43				
$	208,343.92	$	208,343.92				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	58.85	$	58.85				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1.57	$	1.57				
$	1,269,430.30	$	1,269,430.30	$	4,776,741.00	$	(3,507,310.70)

	40.00%		40.00%
$	17,442.41	$	17,442.41
$	27,703.12	$	27,703.12
$	25,752.28	$	25,752.28
$	325,800.16	$	325,800.16
$	70,197.36	$	70,197.36
$	167,653.19	$	167,653.19
$	17,316.36	$	17,316.36
$	24.97	$	24.97
$	0.78	$	0.78
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	923.08	$	923.08
$	0.00	$	0.00
$	88.38	$	88.38

$	202,390.15	$	202,390.15				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2.09	$	2.09				
$	855,294.32	$	855,294.32	$	4,067,559.00	$	(3,212,264.68)

	-11.00%		0.00%
$	2,682.44	$	2,416.61
$	439.10	$	395.58
$	0.00	$	0.00
$	111,189.53	$	100,170.75
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	224,575.03	$	202,319.85
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	176,093.33	$	158,642.64
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	40,436.68	$	36,429.44				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	371,040.10	$	334,270.36				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,912.79	$	2,624.13				
$	929,368.99	$	837,269.36	$	916,636.00	$	(79,366.64)

	-11.00%		0.00%
$	44,605.49	$	40,185.13
$	7,302.20	$	6,578.56
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	979,301.57	$	882,253.66
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	15,963,177.18	$	14,381,240.70				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	8,641.42	$	7,785.06				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	16,144.71	$	14,544.78				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	294,531.63	$	265,343.81				
$	17,313,704.19	$	15,597,931.71	$	15,841,475.00	$	(243,543.29)

	-11.00%		0.00%
$	47,628.26	$	42,908.34
$	7,796.95	$	7,024.28
$	0.00	$	0.00

$	1,017,959.10	$	917,080.27
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	16,489,442.94	$	14,855,354.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	27,423.79	$	24,706.12
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	210,203.04	$	189,372.10				
$	17,800,454.08	$	16,036,445.11	$	16,922,352.00	$	(885,906.89)

	-3.00%		0.00%				
$	18,187.44	$	17,657.71				
$	2,977.33	$	2,890.61				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	46,692.43	$	45,332.46				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	6,528,854.50	$	6,338,693.69				
$	0.00	$	0.00				
$	427,366.88	$	414,919.30				
$	287,422.16	$	279,050.64				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	37,592.20	$	36,497.28				
$	7,349,092.95	$	7,135,041.70	$	7,746,021.00	$	(610,979.30)

	-3.00%		0.00%
$	41,852.27	$	40,633.27
$	49,136.75	$	47,705.58
$	22,698.31	$	22,037.20
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	13,744.90	$	13,344.57
$	0.00	$	0.00

$	0.00	$	0.00				
$	95,139.86	$	92,368.80				
$	0.00	$	0.00				
$	70,791.02	$	68,729.15				
$	0.00	$	0.00				
$	25,681.75	$	24,933.74				
$	325,490.93	$	316,010.61				
$	15,111,069.91	$	14,670,941.66				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	723,584.81	$	702,509.52				
$	0.00	$	0.00				
$	2,813.60	$	2,731.65				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	23,104.15	$	22,431.22				
$	121,882.80	$	118,332.81				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	82,730.82	$	80,321.18				
$	16,709,721.88	$	16,223,030.95	$	18,566,718.00	$	(2,343,687.05)

-3.00%	0.00%
$ 34,648.87	$ 33,639.68
$ 5,671.99	$ 5,506.79
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 35,640.16	$ 34,602.10
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 50,497.64	$ 49,026.84
$ 0.00	$ 0.00
$ 63,596.40	$ 61,744.08
$ 0.00	$ 0.00
$ 25,697.35	$ 24,948.89
$ 212,138.86	$ 205,960.05
$ 12,762,486.41	$ 12,390,763.50
$ 0.00	$ 0.00
$ 530,863.21	$ 515,401.18
$ 104,846.61	$ 101,792.83
$ 97,188.14	$ 94,357.41
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 23,297.64	$ 22,619.07
$ 0.00	$ 0.00
$ 0.00	$ 0.00
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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	30,633.71	$	29,741.47				
$	13,977,206.99	$	13,570,103.87	$	15,692,247.00	$	(2,122,143.13)
	0.00%		0.00%				
$	1,366.09	$	1,366.09				
$	5,200.20	$	5,200.20				
$	27,705.93	$	27,705.93				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	22,976.10	$	22,976.10				
$	0.00	$	0.00				
$	19,673.11	$	19,673.11				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	10,851.16	$	10,851.16				
$	241,597.94	$	241,597.94				
$	2,317.16	$	2,317.16				
$	119,450.03	$	119,450.03				
$	1,805.30	$	1,805.30				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	162.47	$	162.47				
$	565.60	$	565.60				
$	2,863.65	$	2,863.65				
$	7,190.85	$	7,190.85				
$	178.22	$	178.22				
$	1,251.99	$	1,251.99				
$	465,155.79	$	465,155.79	$	571,382.00	$	(106,226.21)
	0.00%		0.00%				
$	3,818.07	$	3,818.07				
$	13,503.25	$	13,503.25				

$	0.00	$	0.00				
$	0.00	$	0.00				
$	34,580.90	$	34,580.90				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,402,347.42	$	1,402,347.42				
$	1,454,249.65	$	1,454,249.65	$	1,902,133.00	$	(447,883.35)

	0.00%		0.00%				
$	2,593.86	$	2,593.86				
$	424.63	$	424.63				
$	0.00	$	0.00				
$	25,028.88	$	25,028.88				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	982,143.60	$	982,143.60				
$	1,010,190.96	$	1,010,190.96	$	1,240,205.00	$	(230,014.04)

	-12.00%		0.00%
$	4,124.67	$	3,682.74
$	31,473.11	$	28,100.99
$	27,009.61	$	24,115.72
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	108,847.91	$	97,185.63
$	0.00	$	0.00
$	0.00	$	0.00
$	6,588.99	$	5,883.02
$	29,126.95	$	26,006.21
$	7,874.51	$	7,030.81
$	0.00	$	0.00
$	2,498.37	$	2,230.69
$	32,937.19	$	29,408.21
$	16,797.07	$	14,997.39
$	328,045.45	$	292,897.72
$	96,526.79	$	86,184.63
$	1,806.69	$	1,613.12
$	46,357.42	$	41,390.56
$	108,175.39	$	96,585.17
$	191,995.34	$	171,424.41
$	440,440.76	$	393,250.68
$	14,257.88	$	12,730.25
$	86,306.49	$	77,059.37
$	50,421.99	$	45,019.63
$	182,156.27	$	162,639.52
$	35,828.79	$	31,989.99
$	28,864.55	$	25,771.92
$	808,718.53	$	722,070.12
$	0.00	$	0.00
$	24,912.67	$	22,243.46
$	105,066.77	$	93,809.62
$	0.00	$	0.00
$	2,958.16	$	2,641.21
$	22,298.87	$	19,909.71
$	55,119.14	$	49,213.52
$	309,357.57	$	276,212.11
$	0.00	$	0.00
$	8,451.11	$	7,545.63
$	567.38	$	506.59
$	4,528.52	$	4,043.32
$	504.27	$	450.24
$	10,459.89	$	9,339.19
$	0.00	$	0.00
$	2,063.28	$	1,842.21
$	5,118.48	$	4,570.07
$	0.00	$	0.00
$	530,745.73	$	473,880.11

$	3,769,332.57	$	3,365,475.51	$	3,876,401.00	$	(510,925.49)

	-12.00%		0.00%
$	7,090.57	$	6,330.86
$	2,232.49	$	1,993.29
$	7,950.46	$	7,098.63
$	0.00	$	0.00
$	34,280.45	$	30,607.54
$	0.00	$	0.00
$	0.00	$	0.00
$	2,524,905.19	$	2,254,379.63
$	238,771.92	$	213,189.21
$	5,484,047.64	$	4,896,471.11
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	35,210.83	$	31,438.24
$	3,395.90	$	3,032.05
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
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$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	742,266.46	$	662,737.91
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	134.72	$	120.29				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	171,887.01	$	153,470.54				
$	9,252,173.62	$	8,260,869.31	$	9,294,651.00	$	(1,033,781.69)

	-12.00%		0.00%				
$	4,133.23	$	3,690.39				
$	3,553.91	$	3,173.13				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	33,488.92	$	29,900.83				
$	774,258.49	$	691,302.22				
$	815,434.55	$	728,066.56	$	451,954.00	$	276,112.56

	-3.00%		0.00%
$	481.33	$	467.31
$	3,673.19	$	3,566.20
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
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$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	8,647.03	$	8,395.18
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	265,233.95	$	257,508.69				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	253,920.58	$	246,524.84				
$	531,956.09	$	516,462.22	$	701,717.00	$	(185,254.78)
	-3.00%		0.00%				
$	1,690.06	$	1,640.84				
$	531.70	$	516.21				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	41,564.26	$	40,353.65				
$	520,592.15	$	505,429.27				
$	1,598,788.87	$	1,552,222.21				

$ 2,163,167.05	$ 2,100,162.19	$ 1,882,844.00	$ 217,318.19

-3.00%	0.00%		
$ 4,983.88	$ 4,838.72		
$ 4,285.53	$ 4,160.71		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 979,416.80	$ 950,890.10		
$ 988,686.21	$ 959,889.52	$ 753,381.00	$ 206,508.52

-2.00%	0.00%		
$ 33,212.94	$ 32,561.70		
$ 4,090,111.90	$ 4,009,913.63		
$ 44,604.06	$ 43,729.47		
$ 19,281.52	$ 18,903.46		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 4,852.07	$ 4,756.93		
$ 12,048.18	$ 11,811.94		
$ 4,204,110.67	$ 4,121,677.12	$ 8,086,653.00	$ (3,964,975.88)

-2.00%	0.00%		
$ 82,683.04	$ 81,061.81		
$ 3,378,175.80	$ 3,311,937.06		
$ 1,098,278.45	$ 1,076,743.58		
$ 56,011.54	$ 54,913.27		
$ 2,837,774.60	$ 2,782,131.97		
$ 5,931,421.04	$ 5,815,118.67		
$ 6,631,451.51	$ 6,501,423.05		
$ 43,397,781.67	$ 42,546,844.77		
$ 15,476,247.71	$ 15,172,791.88		
$ 13,509,003.02	$ 13,244,120.61		
$ 163,982.88	$ 160,767.53		
$ 10,630.01	$ 10,421.58		
$ 92,573,441.27	$ 90,758,275.75	$ 76,408,747.00	$ 14,349,528.75

	-2.00%		0.00%				
$	79,564.60	$	78,004.51				
$	1,056,153.27	$	1,035,444.38				
$	107,101.78	$	105,001.74				
$	953,916.44	$	935,212.20				
$	328,903.74	$	322,454.65				
$	235,530.35	$	230,912.10				
$	10,549,824.27	$	10,342,964.98				
$	13,310,994.45	$	13,049,994.56	$	4,631,547.00	$	8,418,447.56

	40.00%		40.00%				
$	3,527.69	$	3,527.69				
$	434,429.06	$	434,429.06				
$	4,329.28	$	4,329.28				
$	4,548.98	$	4,548.98				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	7.81	$	7.81				
$	8.50	$	8.50				
$	446,851.33	$	446,851.33	$	481,576.00	$	(34,724.67)

	40.00%		40.00%				
$	8,782.14	$	8,782.14				
$	358,811.15	$	358,811.15				
$	106,599.18	$	106,599.18				
$	13,214.49	$	13,214.49				
$	53,313.73	$	53,313.73				
$	403,502.07	$	403,502.07				
$	245,162.48	$	245,162.48				
$	69,846.32	$	69,846.32				
$	10,915.68	$	10,915.68				
$	122,155.25	$	122,155.25				
$	15,720.89	$	15,720.89				
$	4,340.89	$	4,340.89				
$	1,412,364.26	$	1,412,364.26	$	4,550,293.00	$	(3,137,928.74)

	40.00%		40.00%
$	8,450.91	$	8,450.91
$	112,178.76	$	112,178.76
$	10,395.33	$	10,395.33

$	225,052.24	$	225,052.24				
$	6,179.17	$	6,179.17				
$	16,022.63	$	16,022.63				
$	390,023.38	$	390,023.38				
$	768,302.41	$	768,302.41	$	275,818.00	$	492,484.41

	-11.00%		0.00%				
$	5.87	$	5.29				
$	44.84	$	40.40				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	5,010.42	$	4,513.90				
$	5,061.14	$	4,559.58	$	(983.00)	$	5,542.58

	-11.00%		0.00%
$	11,435.06	$	10,301.86
$	2,766.87	$	2,492.68
$	12,629.81	$	11,378.21
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	532,541.95	$	479,767.52
$	6,935,917.75	$	6,248,574.55
$	6,015,801.88	$	5,419,641.34

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	135,906.08	$	122,437.91				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	289,963.92	$	261,228.76				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
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$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	865,979.13	$	780,161.38				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	124,333.07	$	112,011.77				
$	14,927,275.53	$	13,447,995.97	$	11,698,164.00	$	1,749,831.97
	-11.00%		0.00%				

$	18,965.09	$	17,085.67				
$	16,307.37	$	14,691.32				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	3,726,940.71	$	3,357,604.24				
$	3,762,213.18	$	3,389,381.24	$	1,935,596.00	$	1,453,785.24

	-3.00%		0.00%
$	78.49	$	76.20
$	598.82	$	581.38
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	14,770.93	$	14,340.71
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	7,634.65	$	7,412.28
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	35,355.97	$	34,326.19				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	5,195.11	$	5,043.80				
$	0.00	$	0.00				
$	1,403.76	$	1,362.87				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	9,124.51	$	8,858.75				
$	74,162.25	$	72,002.18	$	(93,693.00)	$	165,695.18

	-3.00%		0.00%
$	13,550.20	$	13,155.53
$	4,263.54	$	4,139.36
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	6,573,056.59	$	6,381,608.34
$	3,020,352.14	$	2,932,380.72
$	6,624,382.33	$	6,431,439.16
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	2,219.26	$	2,154.62
$	39,312.10	$	38,167.09
$	4,648.83	$	4,513.43
$	24,219.64	$	23,514.21
$	0.00	$	0.00
$	1,728.00	$	1,677.67
$	19,670.19	$	19,097.27
$	8,270.63	$	8,029.73
$	0.00	$	0.00
$	2,696.91	$	2,618.35

$	47,906.92	$	46,511.58				
$	16,386,277.27	$	15,909,007.06	$	18,844,162.00	$	(2,935,154.94)
	-3.00%		0.00%				
$	12,385.56	$	12,024.82				
$	10,649.85	$	10,339.66				
$	2,346.54	$	2,278.19				
$	0.00	$	0.00				
$	9,158.91	$	8,892.15				
$	2,853.95	$	2,770.83				
$	2,413,433.58	$	2,343,139.40				
$	2,450,828.40	$	2,379,445.05	$	1,821,193.00	$	558,252.05
	0.00%		0.00%				
$	324.20	$	324.20				
$	2,473.49	$	2,473.49				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	5,305.75	$	5,305.75				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	45,523.34	$	45,523.34				
$	20,160.48	$	20,160.48				
$	33,978.83	$	33,978.83				
$	0.00	$	0.00				
$	292.68	$	292.68				
$	0.00	$	0.00				
$	909.15	$	909.15				
$	7,122.00	$	7,122.00				
$	2,648.59	$	2,648.59				
$	17,778.60	$	17,778.60				
$	336.06	$	336.06				
$	3,408.85	$	3,408.85				
$	0.00	$	0.00				
$	24,378.90	$	24,378.90				
$	619.40	$	619.40				
$	425.21	$	425.21				
$	1,571.52	$	1,571.52				
$	3,408.39	$	3,408.39				
$	5,556.22	$	5,556.22				
$	929.59	$	929.59				

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	11,912.88	$	11,912.88				
$	1,623.89	$	1,623.89				
$	699.37	$	699.37				
$	16,787.02	$	16,787.02				
$	1,319.80	$	1,319.80				
$	655.67	$	655.67				
$	3,002.30	$	3,002.30				
$	1,086.47	$	1,086.47				
$	9,481.39	$	9,481.39				
$	139.84	$	139.84				
$	223,859.89	$	223,859.89	$	464,100.00	$	(240,240.11)
	0.00%		0.00%				
$	798.93	$	798.93				
$	251.26	$	251.26				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	421,482.68	$	421,482.68				
$	9,655.48	$	9,655.48				
$	537,999.29	$	537,999.29				
$	970,187.65	$	970,187.65	$	875,951.00	$	94,236.65
	0.00%		0.00%				
$	598.53	$	598.53				
$	514.64	$	514.64				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	117,619.33	$	117,619.33				
$	118,732.50	$	118,732.50	$	72,428.00	$	46,304.50
	-12.00%		0.00%				
$	11,450.43	$	10,223.60				
$	22,171.57	$	19,796.05				

$	0.00	$	0.00				
$	0.00	$	0.00				
$	5,796,012.97	$	5,175,011.58				
$	5,829,634.97	$	5,205,031.23	$	6,281,544.00	$	(1,076,512.77)
	-3.00%		0.00%				
$	1,640.28	$	1,592.50				
$	4,139.68	$	4,019.11				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	827,742.33	$	803,633.33				
$	833,522.29	$	809,244.94	$	1,947,711.00	$	(1,138,466.06)
	-2.00%		0.00%				
$	96,624.55	$	94,729.95				
$	925,336.53	$	907,192.67				
$	2,087,773.42	$	2,046,836.69				
$	219,925.67	$	215,613.41				
$	49,137,441.58	$	48,173,962.34				
$	180,711.28	$	177,167.92				
$	193,630.57	$	189,833.89				
$	52,841,443.59	$	51,805,336.85	$	23,232,064.00	$	28,573,272.85
	40.00%		40.00%				
$	10,262.92	$	10,262.92				
$	98,284.13	$	98,284.13				
$	202,639.80	$	202,639.80				
$	51,885.85	$	51,885.85				
$	923,153.06	$	923,153.06				
$	12,293.41	$	12,293.41				
$	7,158.46	$	7,158.46				
$	1,305,677.63	$	1,305,677.63	$	1,383,516.00	$	(77,838.37)
	-11.00%		0.00%				
$	16,289.44	$	14,675.17				
$	59,470.11	$	53,576.67				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	8,171,714.03	$	7,361,904.53				

$ 8,247,473.58	$ 7,430,156.38	$ 5,849,399.00	$ 1,580,757.38
-3.00%	0.00%		
$ 16,367.47	$ 15,890.75		
$ 37,944.41	$ 36,839.23		
$ 609,895.18	$ 592,131.24		
$ 0.00	$ 0.00		
$ 7,258,471.25	$ 7,047,059.46		
$ 7,922,678.31	$ 7,691,920.69	$ 13,587,157.00	$ (5,895,236.31)
0.00%	0.00%		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 1,991,709.14	$ 1,991,709.14		
$ 1,991,709.14	$ 1,991,709.14	$ 4,334,772.00	$ (2,343,062.86)
-12.00%	0.00%		
$ 51,466.88	$ 45,952.57		
$ 109,235.57	$ 97,531.76		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 20,541.45	$ 18,340.58		
$ 218,900.91	$ 195,447.24		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 16,637.77	$ 14,855.15		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 3,374.75	$ 3,013.17		
$ 0.00	$ 0.00		
$ 184,562.59	$ 164,788.02		
$ 26,680,167.30	$ 23,821,577.95		
$ 27,284,887.22	$ 24,361,506.44	$ 29,835,777.00	$ (5,474,270.56)
-12.00%	0.00%		
$ 1,934.77	$ 1,727.47		

$	1,243.58	$	1,110.34				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	18,556.74	$	16,568.51				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	243,265.06	$	217,200.95				
$	753,624.98	$	672,879.45				
$	1,018,625.12	$	909,486.72	$	926,983.00	$	(17,496.28)

	-12.00%		0.00%				
$	1,537.10	$	1,372.41				
$	987.82	$	881.98				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	826,654.36	$	738,084.25				
$	829,179.29	$	740,338.65	$	666,386.00	$	73,952.65

	-12.00%		0.00%
$	14,237.50	$	12,712.05
$	8,983.64	$	8,021.11
$	0.00	$	0.00
$	1,072.48	$	957.57
$	4,018,625.83	$	3,588,058.78
$	0.00	$	0.00

$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 915,415.03	$ 817,334.85		
$ 4,958,334.48	$ 4,427,084.36	$ 4,305,227.00	$ 121,857.36

-3.00%	0.00%		
$ 4,500.84	$ 4,369.74		
$ 2,892.65	$ 2,808.40		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 261,317.34	$ 253,706.16		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 456,890.25	$ 443,582.77		
$ 0.00	$ 0.00		
$ 1,624,820.23	$ 1,577,495.37		
$ 2,350,421.32	$ 2,281,962.44	$ 2,525,715.00	$ (243,752.56)

-3.00%	0.00%		
$ 0.00	$ 0.00		
$ 4,636.80	$ 4,501.75		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 8,367,133.00	$ 8,123,430.10		
$ 8,371,769.81	$ 8,127,931.85	$ 13,292,886.00	$ (5,164,954.15)

	-3.00%		0.00%				
$	189.39	$	183.87				
$	121.73	$	118.18				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	101,872.19	$	98,905.04				
$	102,183.30	$	99,207.09	$	99,346.00	$	(138.91)

	-3.00%		0.00%				
$	189.01	$	183.51				
$	121.47	$	117.93				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	101,639.53	$	98,679.16				
$	101,950.02	$	98,980.60	$	89,093.00	$	9,887.60

	-3.00%		0.00%
$	6,189.34	$	6,009.07

$ 3,905.43	$ 3,791.68		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 1,447,232.17	$ 1,405,079.78		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 886,919.27	$ 861,086.67		
$ 2,344,246.20	$ 2,275,967.19	$ 2,372,256.00	$ (96,288.81)

-2.00%	0.00%		
$ 18,545.69	$ 18,182.05		
$ 586,565.17	$ 575,063.89		
$ 57,624.95	$ 56,495.05		
$ 2,042.74	$ 2,002.69		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 131,476.39	$ 128,898.42		
$ 8,181,939.78	$ 8,021,509.59		
$ 8,978,194.72	$ 8,802,151.68	$ 16,033,867.00	$ (7,231,715.32)

-2.00%	0.00%
$ 155,114.65	$ 152,073.19
$ 1,042,702.78	$ 1,022,257.63
$ 75,983.32	$ 74,493.45
$ 962,085.44	$ 943,221.02
$ 2,081,896.95	$ 2,041,075.44
$ 1,246,467.67	$ 1,222,027.13
$ 8,569,343.85	$ 8,401,317.50
$ 186,029.67	$ 182,382.03
$ 656,632.68	$ 643,757.53
$ 715,712.52	$ 701,678.94
$ 262,805.92	$ 257,652.87
$ 0.00	$ 0.00
$ 0.00	$ 0.00

$ 0.00	$ 0.00		
$ 611,002.16	$ 599,021.72		
$ 65,709,831.97	$ 64,421,403.90		
$ 82,275,609.57	$ 80,662,362.33	$ 84,952,125.00	$ (4,289,762.67)

-2.00%	0.00%		
$ 167,297.15	$ 164,016.82		
$ 562,744.78	$ 551,710.57		
$ 2,622,110.08	$ 2,570,696.16		
$ 312,147.69	$ 306,027.15		
$ 4,625,143.06	$ 4,534,453.98		
$ 1,720,177.95	$ 1,686,448.97		
$ 7,083,999.42	$ 6,945,097.47		
$ 342,509.03	$ 335,793.16		
$ 307,123.36	$ 301,101.33		
$ 86,546.08	$ 84,849.10		
$ 0.00	$ 0.00		
$ 60,634.97	$ 59,446.05		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 944,152.54	$ 925,639.74		
$ 66,436,180.64	$ 65,133,510.43		
$ 85,270,766.76	$ 83,598,790.94	$ 81,545,659.00	$ 2,053,131.94

-2.00%	0.00%		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 2,969,086.18	$ 2,910,868.80		
$ 946,413.04	$ 927,855.92		
$ 46,635,600.40	$ 45,721,176.86		
$ 493,723.66	$ 484,042.80		
$ 2,505,392.78	$ 2,456,267.43		
$ 367,203.93	$ 360,003.85		
$ 3,599,690.96	$ 3,529,108.78		
$ 57,517,110.95	$ 56,389,324.46	$ 50,757,589.00	$ 5,631,735.46

40.00%	40.00%
$ 1,969.82	$ 1,969.82
$ 62,301.71	$ 62,301.71
$ 5,593.09	$ 5,593.09
$ 481.93	$ 481.93

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,132.85	$	2,132.85				
$	2,407.55	$	2,407.55				
$	74,886.96	$	74,886.96	$	1,005,902.00	$	(931,015.04)
	40.00%		40.00%				
$	16,475.42	$	16,475.42				
$	110,750.12	$	110,750.12				
$	7,374.96	$	7,374.96				
$	226,979.50	$	226,979.50				
$	39,112.93	$	39,112.93				
$	84,794.57	$	84,794.57				
$	316,805.70	$	316,805.70				
$	299.41	$	299.41				
$	463.13	$	463.13				
$	6,471.83	$	6,471.83				
$	25,194.96	$	25,194.96				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	9,911.88	$	9,911.88				
$	19,335.24	$	19,335.24				
$	863,969.66	$	863,969.66	$	5,059,068.00	$	(4,195,098.34)
	40.00%		40.00%				
$	17,769.38	$	17,769.38				
$	59,771.64	$	59,771.64				
$	254,502.65	$	254,502.65				
$	73,643.28	$	73,643.28				
$	86,893.31	$	86,893.31				
$	117,020.08	$	117,020.08				
$	261,893.02	$	261,893.02				
$	551.25	$	551.25				
$	216.62	$	216.62				

$ 782.59	$ 782.59		
$ 0.00	$ 0.00		
$ 24,761.03	$ 24,761.03		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 15,316.36	$ 15,316.36		
$ 19,548.97	$ 19,548.97		
$ 932,670.18	$ 932,670.18	$ 4,856,206.00	$ (3,923,535.82)
40.00%	40.00%		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 285,885.95	$ 285,885.95		
$ 223,282.00	$ 223,282.00		
$ 876,150.57	$ 876,150.57		
$ 33,586.98	$ 33,586.98		
$ 92,623.51	$ 92,623.51		
$ 590.99	$ 590.99		
$ 2,538.93	$ 2,538.93		
$ 1,514,658.94	$ 1,514,658.94	$ 3,022,716.00	$ (1,508,057.06)
-11.00%	0.00%		
$ 24,810.50	$ 22,351.81		
$ 31,122.11	$ 28,037.94		
$ 13,154.45	$ 11,850.86		
$ 660,252.38	$ 594,821.96		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 11,655,834.02	$ 10,500,751.37		
$ 12,385,173.46	$ 11,157,813.92	$ 9,557,237.00	$ 1,600,576.92
-11.00%	0.00%		

$	35,618.85	$	32,089.06				
$	630,493.52	$	568,012.18				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,977,232.28	$	1,781,290.34				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	13,175,970.93	$	11,870,244.08				
$	15,819,315.59	$	14,251,635.66	$	11,636,365.00	$	2,615,270.66

	-11.00%		0.00%				
$	24,360.45	$	21,946.35				
$	17,616.16	$	15,870.42				
$	18,465.17	$	16,635.29				
$	0.00	$	0.00				
$	5,689,130.30	$	5,125,342.62				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	3,442,771.37	$	3,101,595.83				
$	9,192,343.46	$	8,281,390.50	$	6,565,908.00	$	1,715,482.50

	-3.00%		0.00%
$	5,381.16	$	5,224.43
$	3,458.64	$	3,357.90
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	34,360.54	$	33,359.75

$ 0.00	$ 0.00		
$ 54,927.22	$ 53,327.40		
$ 0.00	$ 0.00		
$ 2,796,660.17	$ 2,715,204.05		
$ 2,894,787.73	$ 2,810,473.52	$ 3,221,098.00	$ (410,624.48)

-3.00%	0.00%		
$ 28,780.06	$ 27,941.81		
$ 31,356.86	$ 30,443.55		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 55,191.61	$ 53,584.09		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 54,227.40	$ 52,647.96		
$ 15,295,345.94	$ 14,849,850.43		
$ 15,464,901.87	$ 15,014,467.83	$ 18,422,527.00	$ (3,408,059.17)

-3.00%	0.00%		
$ 26,850.53	$ 26,068.47		
$ 20,721.06	$ 20,117.54		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 391,006.49	$ 379,617.95		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 51,362.27	$ 49,866.29		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 50,131.51	$ 48,671.37		
$ 13,701,576.35	$ 13,302,501.31		
$ 14,241,648.21	$ 13,826,842.92	$ 16,519,213.00	$ (2,692,370.08)

	-3.00%		0.00%				
$	29,507.80	$	28,648.35				
$	18,619.29	$	18,076.98				
$	4,005.32	$	3,888.66				
$	795,381.14	$	772,214.70				
$	6,141,936.35	$	5,963,045.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	3,853,012.13	$	3,740,788.47				
$	10,842,462.03	$	10,526,662.17	$	18,050,616.00	$	(7,523,953.83)

	0.00%		0.00%				
$	4,406.58	$	4,406.58				
$	2,832.31	$	2,832.31				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	24,513.50	$	24,513.50				
$	45,302.81	$	45,302.81				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	23,861.36	$	23,861.36				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,210,841.77	$	2,210,841.77				
$	2,311,758.32	$	2,311,758.32	$	3,513,934.00	$	(1,202,175.68)

	0.00%		0.00%
$	586.07	$	586.07
$	376.65	$	376.65
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	315,199.93	$	315,199.93				
$	316,162.66	$	316,162.66	$	310,279.00	$	5,883.66

	0.00%		0.00%				
$	524.53	$	524.53				
$	337.05	$	337.05				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	282,087.43	$	282,087.43				
$	282,949.02	$	282,949.02	$	250,911.00	$	32,038.02

	0.00%		0.00%				
$	2,362.57	$	2,362.57				
$	1,490.74	$	1,490.74				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	710,172.81	$	710,172.81				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	81,723.90	$	81,723.90				
$	795,750.02	$	795,750.02	$	3,585,699.00	$	(2,789,948.98)

-12.00%	0.00%
$ 57,620.61	$ 51,446.97
$ 58,027.33	$ 51,810.12
$ 1,935.53	$ 1,728.15
$ 39,586.35	$ 35,344.96
$ 7,197.26	$ 6,426.12
$ 53,916.88	$ 48,140.07
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 273.26	$ 243.99
$ 48,710.94	$ 43,491.91
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 11,363.25	$ 10,145.76
$ 12,972.76	$ 11,582.82
$ 2,751.66	$ 2,456.84
$ 81,461.91	$ 72,733.85
$ 29,262.58	$ 26,127.30
$ 34,333.20	$ 30,654.64
$ 33,384.15	$ 29,807.28
$ 24,400.22	$ 21,785.91
$ 379,691.97	$ 339,010.69
$ 97,834.45	$ 87,352.19
$ 80,275.59	$ 71,674.63
$ 37,594.38	$ 33,566.41
$ 63,836.84	$ 56,997.18
$ 128,716.75	$ 114,925.67
$ 96,805.31	$ 86,433.31
$ 1,123,816.55	$ 1,003,407.63
$ 109,914.86	$ 98,138.27
$ 181,918.34	$ 162,427.09
$ 16,817.43	$ 15,015.56
$ 1,080,180.90	$ 964,447.23
$ 5,251,147.26	$ 4,688,524.34
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 12,058.90	$ 10,766.87
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 6,790.89	$ 6,063.30

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	8,024.18	$	7,164.44				
$	9,172,622.48	$	8,189,841.50	$	9,449,327.00	$	(1,259,485.50)

	-12.00%		0.00%				
$	174.49	$	155.79				
$	156.02	$	139.30				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	28,563.49	$	25,503.12				
$	28,894.00	$	25,798.22	$	31,993.00	$	(6,194.78)

	-12.00%		0.00%				
$	174.49	$	155.79				
$	156.02	$	139.31				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	28,784.88	$	25,700.79				
$	29,115.40	$	25,995.89	$	27,826.00	$	(1,830.11)

	-3.00%		0.00%
$	47,605.87	$	46,219.29
$	42,564.67	$	41,324.93
$	0.00	$	0.00
$	0.00	$	0.00
$	49,871.10	$	48,418.54
$	782,207.85	$	759,425.10

$	0.00	$	0.00				
$	0.00	$	0.00				
$	125,608.34	$	121,949.84				
$	261,794.26	$	254,169.19				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	299,556.53	$	290,831.59				
$	148,828.22	$	144,493.42				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	85,060.40	$	82,582.91				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	659,025.98	$	639,831.04				
$	11,481.31	$	11,146.90				
$	36,729.00	$	35,659.22				
$	31.18	$	30.27				
$	0.00	$	0.00				
$	3,996,707.98	$	3,880,299.01				
$	6,547,072.69	$	6,356,381.25	$	8,470,029.00	$	(2,113,647.75)

	-3.00%		0.00%
$	286.14	$	277.81
$	255.80	$	248.35
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	10,538.62	$	10,231.67				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	29,387.11	$	28,531.18				
$	0.00	$	0.00				
$	3,677.60	$	3,570.49				
$	44,145.28	$	42,859.50	$	56,084.00	$	(13,224.50)

	-3.00%		*0.00%*
$	285.86	$	277.54
$	255.55	$	248.10
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	10,277.05	$	9,977.72
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	29,379.50	$	28,523.78				
$	0.00	$	0.00				
$	3,676.06	$	3,568.99				
$	43,874.01	$	42,596.13	$	48,851.00	$	(6,254.87)
	-2.00%		0.00%				
$	70,349.40	$	68,970.00				
$	182,699.86	$	179,117.51				
$	846,523.81	$	829,925.30				
$	360,156.80	$	353,094.90				
$	443,467.82	$	434,772.37				
$	120,611.36	$	118,246.44				
$	243,797.08	$	239,016.75				
$	0.00	$	0.00				
$	1,426.45	$	1,398.48				
$	12,527.43	$	12,281.79				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	87,112.62	$	85,404.53				
$	3,035.10	$	2,975.59				
$	254,913.47	$	249,915.17				
$	856.06	$	839.28				
$	25,020.60	$	24,530.00				
$	31,621.88	$	31,001.84				
$	0.00	$	0.00				
$	4,460.56	$	4,373.10				
$	100,033.92	$	98,072.47				
$	3,906.65	$	3,830.05				
$	18,776.70	$	18,408.53				
$	15,749.29	$	15,440.48				
$	102,963.31	$	100,944.42				
$	1,828.25	$	1,792.40				
$	27,406.24	$	26,868.86				
$	958,878.37	$	940,076.83				
$	5,402.38	$	5,296.45				
$	0.00	$	0.00				
$	4,100.97	$	4,020.55				
$	0.00	$	0.00				
$	3,602,102.46	$	3,531,473.00				
$	7,529,728.82	$	7,382,087.08	$	11,169,443.00	$	(3,787,355.92)
	-2.00%		0.00%				
$	214,058.94	$	209,861.71				

$	209,706.51	$	205,594.62				
$	51,343.76	$	50,337.02				
$	2,049,273.29	$	2,009,091.46				
$	136,267.53	$	133,595.62				
$	266,712.26	$	261,482.61				
$	1,088,104.10	$	1,066,768.72				
$	0.00	$	0.00				
$	252,157.64	$	247,213.37				
$	645,162.89	$	632,512.64				
$	1,213,990.37	$	1,190,186.64				
$	8,109.17	$	7,950.16				
$	147,033.38	$	144,150.38				
$	123,049.56	$	120,636.83				
$	251,550.31	$	246,617.95				
$	218,537.87	$	214,252.81				
$	0.00	$	0.00				
$	12,554,284.15	$	12,308,121.72				
$	21,255.57	$	20,838.80				
$	78,169.68	$	76,636.94				
$	378,757.36	$	371,330.74				
$	0.00	$	0.00				
$	24,845.13	$	24,357.97				
$	0.00	$	0.00				
$	6,748.79	$	6,616.46				
$	6,231.25	$	6,109.07				
$	37,398.64	$	36,665.34				
$	81,798.37	$	80,194.48				
$	0.00	$	0.00				
$	28,423.43	$	27,866.11				
$	68,982.07	$	67,629.48				
$	8,643,841.24	$	8,474,354.16				
$	28,805,793.27	$	28,240,973.79	$	39,878,248.00	$	(11,637,274.21)

	-2.00%		0.00%
$	209,150.34	$	205,049.35
$	175,379.86	$	171,941.04
$	473,155.18	$	463,877.63
$	62,598.50	$	61,371.08
$	1,384,195.39	$	1,357,054.31
$	1,976,615.22	$	1,937,858.06
$	549,953.34	$	539,169.94
$	0.00	$	0.00
$	79,543.94	$	77,984.26
$	343,658.27	$	336,919.88
$	1,068,671.96	$	1,047,717.61

$	0.00	$	0.00				
$	308,558.17	$	302,508.01				
$	0.00	$	0.00				
$	461,648.06	$	452,596.13				
$	194,857.28	$	191,036.55				
$	0.00	$	0.00				
$	12,595,830.23	$	12,348,853.17				
$	78,932.46	$	77,384.76				
$	244,808.23	$	240,008.07				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	632,557.00	$	620,153.93				
$	0.00	$	0.00				
$	6,808.04	$	6,674.55				
$	0.00	$	0.00				
$	37,828.93	$	37,087.19				
$	61,475.55	$	60,270.15				
$	0.00	$	0.00				
$	17,443.71	$	17,101.67				
$	3,252.92	$	3,189.14				
$	4,241.22	$	4,158.06				
$	8,469,997.71	$	8,303,919.33				
$	29,441,161.53	$	28,863,883.85	$	37,224,235.00	$	(8,360,351.15)

	40.00%		40.00%
$	7,472.12	$	7,472.12
$	19,405.37	$	19,405.37
$	82,163.81	$	82,163.81
$	84,969.80	$	84,969.80
$	8,331.50	$	8,331.50
$	8,204.94	$	8,204.94
$	9,013.10	$	9,013.10
$	0.00	$	0.00
$	1.01	$	1.01
$	113.28	$	113.28
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	363.15	$	363.15
$	4,135.29	$	4,135.29
$	0.25	$	0.25
$	92.10	$	92.10
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	283.51	$	283.51				
$	2,696.62	$	2,696.62				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	72.57	$	72.57				
$	0.00	$	0.00				
$	365.71	$	365.71				
$	227,684.11	$	227,684.11	$	665,163.00	$	(437,478.89)

	40.00%		40.00%
$	22,736.16	$	22,736.16
$	22,273.87	$	22,273.87
$	4,983.44	$	4,983.44
$	483,473.73	$	483,473.73
$	2,560.08	$	2,560.08
$	18,143.87	$	18,143.87
$	40,226.83	$	40,226.83
$	0.00	$	0.00
$	177.85	$	177.85
$	5,833.89	$	5,833.89
$	116,384.12	$	116,384.12
$	3,311.48	$	3,311.48
$	0.00	$	0.00
$	14,722.98	$	14,722.98
$	4,080.74	$	4,080.74
$	64.31	$	64.31
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	386.87	$	386.87
$	230.04	$	230.04
$	0.00	$	0.00

$	0.00	$	0.00				
$	1,220.62	$	1,220.62				
$	740,810.87	$	740,810.87	$	2,456,676.00	$	1,715,865.13
	-2.00%		0.00%				
$	37,765.15	$	37,024.65				
$	31,667.39	$	31,046.47				
$	78,071.75	$	76,540.93				
$	25,106.48	$	24,614.20				
$	44,208.67	$	43,341.84				
$	228,590.44	$	224,108.28				
$	34,563.70	$	33,885.98				
$	0.00	$	0.00				
$	95.37	$	93.50				
$	5,282.80	$	5,179.22				
$	174,169.38	$	170,754.30				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	12,731.31	$	12,481.68				
$	97.47	$	95.56				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	665.25	$	652.21				
$	293.90	$	288.14				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	97.85	$	95.93				
$	0.00	$	0.00				
$	1,461.87	$	1,433.20				
$	674,868.81	$	661,636.09	$	2,275,347.00	$	(1,613,710.91)
	-11.00%		0.00%				
$	0.00	$	0.00				
$	0.00	$	0.00				

$	29,139.51	$	26,251.81				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	24,574.12	$	22,138.85				
$	53,713.63	$	48,390.66	$	47,851.00	$	539.66

	-11.00%		*0.00%*
$	34,580.86	$	31,153.92
$	30,919.53	$	27,855.43
$	0.00	$	0.00
$	268,509.34	$	241,900.30
$	60,108.06	$	54,151.40
$	230,993.52	$	208,102.27
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	4,201,126.93	$	3,784,799.04				
$	4,826,238.22	$	4,347,962.36	$	5,576,593.00	$	(1,228,630.64)

	-11.00%		0.00%				
$	35,797.30	$	32,249.82				
$	48,342.23	$	43,551.56				
$	49,799.79	$	44,864.68				
$	0.00	$	0.00				
$	406,070.79	$	365,829.54				
$	0.00	$	0.00				
$	116,887.14	$	105,303.73				
$	0.00	$	0.00				
$	84,488.51	$	76,115.77				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	4,214,105.18	$	3,796,491.15				
$	4,955,490.93	$	4,464,406.24	$	6,074,669.00	$	(1,610,262.76)

	-3.00%		0.00%
$	6,341.67	$	6,156.96
$	5,670.46	$	5,505.31
$	0.00	$	0.00
$	15,628.90	$	15,173.69
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	4,346.76	$	4,220.16
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	2,664.06	$	2,586.47
$	982.65	$	954.03
$	37,715.02	$	36,616.53
$	0.00	$	0.00
$	44,606.78	$	43,307.55
$	0.00	$	0.00
$	5,373.71	$	5,217.19
$	24,102.04	$	23,400.04
$	0.00	$	0.00
$	18,295.14	$	17,762.27
$	22,517.30	$	21,861.45
$	52,542.94	$	51,012.57
$	0.00	$	0.00
$	81,075.04	$	78,713.63
$	6,935.65	$	6,733.64
$	2,139.66	$	2,077.34
$	604,805.59	$	587,189.90
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	67,094.92	$	65,140.70

$	1,002,838.28	$	973,629.40	$	1,111,862.00	$	(138,232.60)

	-3.00%		0.00%				
$	29,806.08	$	28,937.94				
$	26,650.64	$	25,874.41				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	88,695.51	$	86,112.15				
$	0.00	$	0.00				
$	83,802.14	$	81,361.30				
$	35,842.13	$	34,798.19				
$	0.00	$	0.00				
$	40,458.37	$	39,279.97				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	18,774.11	$	18,227.29				
$	11,479.19	$	11,144.85				
$	10,289.53	$	9,989.83				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	16,048.14	$	15,580.72				
$	38,801.48	$	37,671.34				
$	0.00	$	0.00				
$	13,392.60	$	13,002.53				
$	18,101.37	$	17,574.14				
$	47,453.28	$	46,071.14				
$	0.00	$	0.00				
$	80,184.85	$	77,849.37				
$	0.00	$	0.00				
$	4,206,142.24	$	4,083,633.24				
$	4,765,921.64	$	4,627,108.39	$	5,892,353.00	$	(1,265,244.61)

	-3.00%		0.00%
$	30,524.84	$	29,635.77
$	27,358.78	$	26,561.92
$	13,351.28	$	12,962.41
$	0.00	$	0.00
$	0.00	$	0.00

$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 81,007.11	$ 78,647.68		
$ 0.00	$ 0.00		
$ 57,189.16	$ 55,523.45		
$ 53,032.36	$ 51,487.73		
$ 0.00	$ 0.00		
$ 20,180.05	$ 19,592.28		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 23,054.64	$ 22,383.14		
$ 11,657.48	$ 11,317.94		
$ 0.00	$ 0.00		
$ 10,837.68	$ 10,522.02		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 38,828.38	$ 37,697.46		
$ 0.00	$ 0.00		
$ 13,404.11	$ 13,013.70		
$ 18,118.97	$ 17,591.24		
$ 47,503.81	$ 46,120.21		
$ 0.00	$ 0.00		
$ 52,840.27	$ 51,301.24		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 4,402,834.53	$ 4,274,596.63		
$ 4,901,723.46	$ 4,758,954.81	$ 5,184,098.00	$ (425,143.19)

0.00%	0.00%
$ 5,822.14	$ 5,822.14
$ 19,279.46	$ 18,717.92
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 12,274.11	$ 11,916.61
$ 41,388.21	$ 40,182.73
$ 0.00	$ 0.00
$ 13,277.94	$ 12,891.20
$ 0.00	$ 0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	17,128.95	$	16,630.05				
$	2,760.74	$	2,680.33				
$	102,951.60	$	99,953.01				
$	563.31	$	546.90				
$	22,866.82	$	22,200.79				
$	0.00	$	0.00				
$	21,057.93	$	20,444.59				
$	5,003.57	$	4,857.83				
$	25,236.43	$	24,501.39				
$	59,253.48	$	57,527.65				
$	59,823.82	$	58,081.38				
$	5,588.46	$	5,425.68				
$	0.00	$	0.00				
$	8,768.20	$	8,512.82				
$	146.91	$	142.63				
$	3,030.90	$	2,942.62				
$	430,098.59	$	417,571.44				
$	0.00	$	0.00				
$	276.53	$	268.47				
$	483.71	$	469.62				
$	857,081.76	$	832,287.79	$	981,618.00	$	(149,330.21)
	0.00%		0.00%				
$	1,648.22	$	1,648.22				
$	1,517.95	$	1,473.74				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	55,999.68	$	54,368.62				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	219,872.20	$	213,468.16				
$	279,038.06	$	270,958.74	$	332,744.00	$	(61,785.26)
	0.00%		0.00%				
$	1,584.78	$	1,584.78				
$	1,459.42	$	1,416.91				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	56,046.42	$	54,414.00				
$	0.00	$	0.00				
$	0.00	$	0.00				

$	0.00	$	0.00				
$	0.00	$	0.00				
$	210,738.41	$	204,600.39				
$	269,829.02	$	262,016.08	$	278,918.00	$	(16,901.92)

	-12.00%		0.00%
$	37,393.52	$	33,387.07
$	7,654.90	$	6,834.73
$	1,500.77	$	1,339.98
$	0.00	$	0.00
$	0.00	$	0.00
$	90,903.69	$	81,164.01
$	2,619,112.14	$	2,338,492.99
$	9,187,489.66	$	8,203,115.76
$	28,057.71	$	25,051.53
$	564,577.70	$	504,087.24
$	43,993.60	$	39,280.00
$	82,250.64	$	73,438.07
$	28,442.90	$	25,395.45
$	127,024.77	$	113,414.97
$	51,894.93	$	46,334.76
$	139,187.06	$	124,274.16
$	948,237.12	$	846,640.29
$	72,575.38	$	64,799.45
$	400,586.35	$	357,666.39
$	994,470.98	$	887,920.52
$	129,796.58	$	115,889.80
$	54,184.21	$	48,378.76
$	106,875.31	$	95,424.39
$	70,851.67	$	63,260.42
$	26,736.06	$	23,871.48
$	342,990.49	$	306,241.51
$	4,413.51	$	3,940.63
$	1,372,053.49	$	1,225,047.76
$	53,035.50	$	47,353.13
$	41,549.40	$	37,097.68
$	141,236.72	$	126,104.21
$	24,332.71	$	21,725.63
$	274,903.75	$	245,449.78
$	27,782.40	$	24,805.71
$	0.00	$	0.00
$	1,188.47	$	1,061.13
$	731.45	$	653.08
$	7,580,784.81	$	6,768,557.87
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,707.24	$	1,524.32				
$	4,437.26	$	3,961.84				
$	10,973.75	$	9,797.99				
$	364,502.65	$	325,448.79				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	14,488.69	$	12,936.33				
$	26,074,909.97	$	23,281,169.62	$	25,257,552.00	$	(1,976,382.38)

	-12.00%		0.00%
$	4,478.86	$	3,998.98
$	787.12	$	702.78
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	7,039.79	$	6,285.52
$	1,310,104.22	$	1,169,735.91
$	20,280.23	$	18,107.35
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	49,280.82	$	44,000.74				
$	7,232.39	$	6,457.49				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	13,995.34	$	12,495.84				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,667.42	$	1,488.77				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	13,795.66	$	12,317.56				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,783,798.23	$	1,592,676.99				
$	3,212,460.08	$	2,868,267.93	$	3,129,303.00	$	(261,035.07)

	-12.00%		0.00%
$	4,332.10	$	3,867.94
$	0.00	$	0.00
$	1,805.58	$	1,612.13
$	0.00	$	0.00
$	0.00	$	0.00
$	7,259.43	$	6,481.64
$	0.00	$	0.00
$	1,512,788.17	$	1,350,703.72
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	49,738.31	$	44,409.21				
$	0.00	$	0.00				
$	10,451.14	$	9,331.38				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,583,461.74	$	1,413,805.13				
$	3,169,836.48	$	2,830,211.14	$	1,694,577.00	$	1,135,634.14

	-3.00%		0.00%				
$	48.94	$	47.52				
$	8.65	$	8.40				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	25,118.35	$	24,386.75				
$	25,175.94	$	24,442.66	$	59,142.00	$	(34,699.34)

	-3.00%		0.00%
$	993.60	$	964.66
$	174.63	$	169.54
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	459,480.08	$	446,097.17

$	460,648.31	$	447,231.37	$	564,066.00	$	(116,834.63)
	-3.00%		0.00%				
$	1,055.26	$	1,024.52				
$	184.97	$	179.58				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	533,419.62	$	517,883.13				
$	534,659.85	$	519,087.23	$	429,358.00	$	89,729.23
	-2.00%		0.00%				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	441,245.93	$	432,594.05				
$	583.55	$	572.11				
$	0.00	$	0.00				
$	42,497.08	$	41,663.81				
$	46,138.01	$	45,233.35				
$	1,012,396.08	$	992,545.18				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	609.66	$	597.71				
$	0.00	$	0.00				
$	4,039.38	$	3,960.17				

$	0.00	$	0.00				
$	0.00	$	0.00				
$	20,505.57	$	20,103.50				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,094,694.73	$	1,073,230.13				
$	2,662,710.00	$	2,610,500.00	$	13,939,013.00	$	(11,328,513.00)

	-2.00%		0.00%
$	30,225.09	$	29,632.44
$	0.00	$	0.00
$	1,601,605.39	$	1,570,201.37
$	2,943,358.64	$	2,885,645.73
$	5,222,754.08	$	5,120,347.13
$	55,758.14	$	54,664.84
$	49,079,226.83	$	48,116,889.05
$	167,100.86	$	163,824.38
$	15,472.84	$	15,169.45
$	14,221.89	$	13,943.03
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	1,491.10	$	1,461.86
$	964,102.98	$	945,199.00
$	0.00	$	0.00
$	0.00	$	0.00
$	14,860.44	$	14,569.06
$	0.00	$	0.00
$	0.00	$	0.00
$	62,750.77	$	61,520.36
$	84,459.26	$	82,803.19
$	9,222.55	$	9,041.72
$	0.00	$	0.00
$	0.00	$	0.00
$	12,385.29	$	12,142.44
$	17,181.22	$	16,844.33
$	0.00	$	0.00
$	5,591.76	$	5,482.12
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	3,617,552.13	$	3,546,619.73				
$	63,919,321.26	$	62,666,001.23	$	50,908,942.00	$	11,757,059.23

	-2.00%		0.00%
$	127,664.78	$	125,161.55
$	169,213.82	$	165,895.90
$	1,421,139.96	$	1,393,274.47
$	2,038,680.75	$	1,998,706.62
$	2,917,761.22	$	2,860,550.22
$	2,621,531.82	$	2,570,129.24
$	1,847,567.92	$	1,811,341.10
$	54,850,192.29	$	53,774,698.33
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	584,235.70	$	572,780.10
$	0.00	$	0.00
$	4,519.57	$	4,430.95
$	47,870.67	$	46,932.03
$	11,952.25	$	11,717.89
$	12,976.53	$	12,722.09
$	9,264.92	$	9,083.25
$	85,005.16	$	83,338.39
$	6,838.55	$	6,704.47
$	0.00	$	0.00
$	0.00	$	0.00
$	33,630.26	$	32,970.84
$	387.91	$	380.30
$	0.00	$	0.00
$	11,876.08	$	11,643.22
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	1,354.78	$	1,328.22
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	1,426,414.12	$	1,398,445.22				
$	68,230,079.07	$	66,892,234.39	$	55,440,016.00	$	11,452,218.39

	40.00%		40.00%				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	39,530.98	$	39,530.98				
$	137.67	$	137.67				
$	0.00	$	0.00				
$	2,890.99	$	2,890.99				
$	1,705.71	$	1,705.71				
$	1,629.39	$	1,629.39				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	6.31	$	6.31				
$	45,901.05	$	45,901.05	$	909,657.00	$	(863,755.95)

	40.00%		40.00%
$	0.00	$	0.00
$	0.00	$	0.00
$	161,791.48	$	161,791.48
$	694,410.35	$	694,410.35
$	98,120.73	$	98,120.73
$	3,793.11	$	3,793.11
$	1,814,442.16	$	1,814,442.16
$	268.94	$	268.94
$	10.91	$	10.91

$	128.60	$	128.60				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	178.41	$	178.41				
$	15,640.00	$	15,640.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	177.73	$	177.73				
$	2,788,962.42	$	2,788,962.42	$	3,031,729.00	$	(242,766.58)

	40.00%		*40.00%*
$	13,559.85	$	13,559.85
$	17,972.96	$	17,972.96
$	137,936.20	$	137,936.20
$	480,974.69	$	480,974.69
$	54,816.45	$	54,816.45
$	178,337.28	$	178,337.28
$	68,303.95	$	68,303.95
$	88,278.34	$	88,278.34
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	9,477.67	$	9,477.67
$	0.00	$	0.00
$	16.64	$	16.64
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	4.01	$	4.01				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.14	$	0.14				
$	1,049,678.17	$	1,049,678.17	$	3,301,563.00	$	(2,251,884.83)

	-11.00%		0.00%
$	17,139.81	$	15,441.27
$	3,011.95	$	2,713.46
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	7,234,423.11	$	6,517,498.29
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	12,293.26	$	11,075.01
$	0.00	$	0.00
$	0.00	$	0.00
$	259,221.27	$	233,532.68
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,432,469.68	$	1,290,513.22				
$	8,958,559.07	$	8,070,773.94	$	5,550,264.00	$	2,520,509.94

	-11.00%		0.00%
$	19,345.73	$	17,428.59
$	3,390.27	$	3,054.30
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	297,533.72	$	268,048.39
$	8,261,102.90	$	7,442,435.05
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	806,712.90	$	726,768.38
$	48,984.00	$	44,129.73
$	8,069.14	$	7,269.49
$	0.00	$	0.00
$	5,421.93	$	4,884.62
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	7,806.31	$	7,032.71
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	1,472,445.51	$	1,326,527.49				
$	10,930,812.42	$	9,847,578.75	$	7,303,520.00	$	2,544,058.75
	-3.00%		0.00%				
$	660.17	$	640.94				
$	7,850.47	$	7,621.82				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	174,888.16	$	169,794.33				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	7,419.56	$	7,203.45				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	549.48	$	533.47				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	300,265.45	$	291,519.85				
$	491,633.29	$	477,313.87	$	739,852.00	$	(262,538.13)

	-3.00%		0.00%				
$	18,805.10	$	18,257.38				
$	9,682.30	$	9,400.29				
$	26,327.21	$	25,560.40				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	7,690,326.77	$	7,466,336.67				
$	293,357.35	$	284,812.96				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	29,336.30	$	28,481.84				
$	0.00	$	0.00				
$	7,403.28	$	7,187.65				
$	2,443.62	$	2,372.45				
$	4,644.83	$	4,509.54				
$	0.00	$	0.00				
$	8,900.48	$	8,641.24				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	7,614.24	$	7,392.47				
$	18,705.33	$	18,160.52				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	12,075.36	$	11,723.65				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,584,332.81	$	1,538,187.19				
$	9,713,954.98	$	9,431,024.25	$	12,453,807.00	$	(3,022,782.75)

	-3.00%		0.00%
$	20,015.24	$	19,432.28
$	34,016.48	$	33,025.71

$	11,613.04	$	11,274.80				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	93,870.55	$	91,136.46				
$	9,298,919.41	$	9,028,077.10				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	30,104.14	$	29,227.32				
$	0.00	$	0.00				
$	6,950.38	$	6,747.94				
$	7,733.43	$	7,508.18				
$	1,955.85	$	1,898.89				
$	0.00	$	0.00				
$	7,869.69	$	7,640.47				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	7,546.55	$	7,326.75				
$	18,556.47	$	18,015.99				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,188,411.58	$	1,153,797.65				
$	10,727,562.81	$	10,415,109.53	$	9,125,661.00	$	1,289,448.53

	0.00%		0.00%
$	886.35	$	886.35
$	368.70	$	368.70
$	14,654.69	$	14,654.69
$	61,791.62	$	61,791.62
$	0.00	$	0.00
$	1,182.75	$	1,182.75

$	20,762.00	$	20,762.00				
$	160,986.11	$	160,986.11				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	16,073.48	$	16,073.48				
$	8,965.75	$	8,965.75				
$	38,856.10	$	38,856.10				
$	8,952.15	$	8,952.15				
$	0.00	$	0.00				
$	7,055.94	$	7,055.94				
$	3,300.15	$	3,300.15				
$	1,314.77	$	1,314.77				
$	7,216.03	$	7,216.03				
$	11,745.82	$	11,745.82				
$	1,686.92	$	1,686.92				
$	0.00	$	0.00				
$	2,238.03	$	2,238.03				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	4,954.14	$	4,954.14				
$	4,003.11	$	4,003.11				
$	1,555.78	$	1,555.78				
$	25,332.35	$	25,332.35				
$	20,191.50	$	20,191.50				
$	18,695.65	$	18,695.65				
$	446.56	$	446.56				
$	1,059.28	$	1,059.28				
$	2,443.44	$	2,443.44				
$	5,554.67	$	5,554.67				
$	3,434.36	$	3,434.36				
$	534.05	$	534.05				
$	13,586.78	$	13,586.78				
$	83.96	$	83.96				
$	469,913.00	$	469,913.00	$	905,341.00	$	(435,428.00)

	0.00%		0.00%
$	1,785.70	$	1,785.70
$	313.77	$	313.77
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	815,193.17	$	815,193.17
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	23,933.10	$	23,933.10				
$	841,225.73	$	841,225.73	$	1,121,261.00	$	(280,035.27)

	0.00%		0.00%
$	1,600.68	$	1,600.68
$	280.43	$	280.43
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	795,582.18	$	795,582.18
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	27,142.58	$	27,142.58				
$	824,605.87	$	824,605.87	$	670,798.00	$	153,807.87
	-12.00%		0.00%				
$	12,151.38	$	10,849.44				
$	23,366.41	$	20,862.87				
$	9,092,553.60	$	8,118,351.43				
$	9,128,071.39	$	8,150,063.74	$	7,133,546.00	$	1,016,517.74
	-3.00%		0.00%				
$	2,136.28	$	2,074.06				
$	4,237.45	$	4,114.03				
$	1,598,308.96	$	1,551,756.27				
$	1,604,682.68	$	1,557,944.35	$	1,363,606.00	$	194,338.35
	-2.00%		0.00%				
$	53,403.45	$	52,356.33				
$	110,157.31	$	107,997.37				
$	40,482,164.89	$	39,688,396.95				
$	40,645,725.65	$	39,848,750.64	$	50,116,116.00	$	(10,267,365.36)
	40.00%		40.00%				
$	5,672.22	$	5,672.22				
$	11,700.30	$	11,700.30				
$	3,929,208.93	$	3,929,208.93				
$	3,946,581.45	$	3,946,581.45	$	3,117,698.00	$	828,883.45
	-11.00%		0.00%				
$	556.36	$	501.22				
$	1,326.83	$	1,195.34				
$	415,918.90	$	374,701.71				
$	417,802.08	$	376,398.27	$	321,374.00	$	55,024.27

-3.00%	0.00%			
$ 6,582.50	$ 6,390.78			
$ 564,315.80	$ 547,879.42			
$ 4,052,059.58	$ 3,934,038.43			
$ 4,622,957.89	$ 4,488,308.63	$ 5,401,892.00	$ (913,583.37)	
0.00%	0.00%			
$ 1,659.42	$ 1,659.42			
$ 18,255.87	$ 18,255.87			
$ 1,217,828.44	$ 1,217,828.44			
$ 1,237,743.72	$ 1,237,743.72	$ 1,871,815.00	$ (634,071.28)	
		$ 1,303,547,150.00	$ (67,260,478.80)	$ (67,260,478.80)
-12.00%	0.00%			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 122,107.09	$ 109,024.19			
$ 0.00	$ 0.00			
$ 156,080.96	$ 139,358.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 882,751.69	$ 788,171.15			
$ 0.00	$ 0.00			
$ 280,631.16	$ 250,563.54			
$ 126,135.48	$ 112,620.96			
$ 64,560.43	$ 57,643.24			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 13,509.44	$ 12,062.00			
$ 2,304.23	$ 2,057.35			
$ 0.00	$ 0.00			
$ 99,222.23	$ 88,591.28			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 70,435.59	$ 62,888.92			

$	0.00	$	0.00				
$	16,080.40	$	14,357.50				
$	39,538.40	$	35,302.14				
$	6,727.03	$	6,006.28				
$	59,764.90	$	53,361.52				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,443,035.90	$	1,288,424.91				
$	0.00	$	0.00				
$	839,815.39	$	749,835.17				
$	4,222,700.32	$	3,770,268.14	$	5,275,911.00	$	(1,505,642.86)

	-3.00%		0.00%
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	181,345.97	$	176,064.05
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	312,766.57	$	303,656.86
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	61,614.93	$	59,820.32
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	19,960.90	$	19,379.51
$	0.00	$	0.00
$	0.00	$	0.00
$	6,932.04	$	6,730.14

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	220,036.80	$	213,627.96				
$	0.00	$	0.00				
$	437,989.50	$	425,232.53				
$	1,240,646.71	$	1,204,511.37	$	2,169,355.00	$	(964,843.63)

	-2.00%		0.00%
$	2,440.83	$	2,392.97
$	0.00	$	0.00
$	319,111.85	$	312,854.75
$	381,197.79	$	373,723.33
$	973,265.11	$	954,181.48
$	1,551,704.34	$	1,521,278.76
$	89,502.47	$	87,747.51
$	377,496.28	$	370,094.39
$	838,591.75	$	822,148.77
$	35,432.36	$	34,737.61
$	98,077.46	$	96,154.38
$	75,033.09	$	73,561.86
$	0.00	$	0.00
$	56,284.99	$	55,181.36
$	94,770.78	$	92,912.53
$	660,293.10	$	647,346.18
$	1,757,172.58	$	1,722,718.22
$	554,679.93	$	543,803.86
$	162,428.62	$	159,243.75
$	1,005,666.55	$	985,947.60
$	0.00	$	0.00
$	201,174.39	$	197,229.79
$	17,427.81	$	17,086.08
$	353,509.79	$	346,578.22
$	0.00	$	0.00
$	0.00	$	0.00
$	22,269.96	$	21,833.29
$	0.00	$	0.00
$	0.00	$	0.00
$	203,181.57	$	199,197.62
$	0.00	$	0.00
$	80,201.25	$	78,628.67
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	9,710,752.93	$	9,520,346.01				
$	0.00	$	0.00				
$	7,327,047.02	$	7,183,379.43				
$	26,948,714.58	$	26,420,308.41	$	37,648,485.00	$	(11,228,176.59)

	40.00%		40.00%
$	0.00	$	0.00
$	0.00	$	0.00
$	31,451.85	$	31,451.85
$	89,933.89	$	89,933.89
$	18,284.89	$	18,284.89
$	105,559.17	$	105,559.17
$	3,308.87	$	3,308.87
$	607.56	$	607.56
$	591.47	$	591.47
$	320.40	$	320.40
$	9,402.59	$	9,402.59
$	30,640.68	$	30,640.68
$	0.00	$	0.00
$	6,734.55	$	6,734.55
$	1,537.40	$	1,537.40
$	194.29	$	194.29
$	6,468.38	$	6,468.38
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	230.37	$	230.37
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	305,266.38	$	305,266.38	$	2,451,091.00	$	(2,145,824.62)

	-11.00%		0.00%
$	0.00	$	0.00
$	3,795.50	$	3,419.37
$	0.00	$	0.00
$	0.00	$	0.00
$	151,295.61	$	136,302.35
$	0.00	$	0.00
$	115,340.91	$	103,910.73
$	0.00	$	0.00
$	186,603.79	$	168,111.52
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	9,483,574.56	$	8,543,760.87				
$	0.00	$	0.00				
$	5,038,502.37	$	4,539,191.32				
$	14,979,112.74	$	13,494,696.16	$	16,254,071.00	$	(2,759,374.84)

	-3.00%		0.00%
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	10,918.51	$	10,600.50
$	0.00	$	0.00
$	12,805.90	$	12,432.91
$	162,618.31	$	157,881.86
$	137,423.39	$	133,420.77
$	13,060.95	$	12,680.53
$	20,300.68	$	19,709.40
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	9,674.04	$	9,392.28
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	6,380.14	$	6,194.31
$	54,257.65	$	52,677.33
$	0.00	$	0.00
$	29,040.18	$	28,194.35
$	132,057.65	$	128,211.31
$	0.00	$	0.00
$	19,423.95	$	18,858.20
$	55,777.97	$	54,153.37
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	251,807.97	$	244,473.76
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	2,646.10	$	2,569.03
$	1,284,264.94	$	1,246,859.16
$	0.00	$	0.00

$	1,095,909.78	$	1,063,990.08				
$	3,298,368.13	$	3,202,299.16	$	4,240,719.00	$	(1,038,419.84)
	0.00%		0.00%				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,516.01	$	1,516.01				
$	354.85	$	354.85				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	10,059.09	$	10,059.09				
$	15,572.18	$	15,572.18				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	151,346.99	$	151,346.99				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	178,849.12	$	178,849.12	$	213,624.00	$	(34,774.88)

	-12.00%		0.00%				
$	3,723.37	$	3,324.44				
$	36,632.71	$	32,707.77				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	37,969.33	$	33,901.19				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	56,985.72	$	50,880.11				
$	8,996.95	$	8,032.99				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	3,663.20	$	3,270.71				
$	8,924.95	$	7,968.70				
$	8,446.37	$	7,541.40				
$	0.00	$	0.00				
$	44,087.33	$	39,363.68				
$	2,923.02	$	2,609.84				
$	59,289.38	$	52,936.95				
$	0.00	$	0.00				
$	83,918.18	$	74,926.95				
$	66,353.88	$	59,244.54				
$	18,702.21	$	16,698.41				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,709,128.16	$	2,418,864.43				
$	3,149,744.76	$	2,812,272.10	$	3,477,292.00	$	(665,019.90)

	-3.00%		0.00%
$	2,748.58	$	2,668.52
$	25,606.81	$	24,860.99

$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	222,850.38	$	216,359.59
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	68,029.37	$	66,047.93
$	103,204.07	$	100,198.13
$	0.00	$	0.00
$	0.00	$	0.00
$	20,630.47	$	20,029.58
$	19,784.69	$	19,208.43
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	5,587.88	$	5,425.13
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	1,147,967.22	$	1,114,531.28
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	285,757.70	$	277,434.66
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	116,548.11	$	113,153.51				
$	2,018,715.29	$	1,959,917.76	$	3,185,872.00	$	(1,225,954.24)

	-2.00%		0.00%				
$	33,195.71	$	32,544.81				
$	254,987.02	$	249,987.28				
$	659,216.95	$	646,291.13				
$	222,506.97	$	218,144.09				
$	919,878.92	$	901,842.08				
$	983,082.64	$	963,806.51				
$	85,192.04	$	83,521.61				
$	626,478.87	$	614,194.97				
$	635,264.61	$	622,808.44				
$	0.00	$	0.00				
$	545,241.73	$	534,550.72				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	121,192.06	$	118,815.74				
$	564,519.34	$	553,450.34				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	30,781.39	$	30,177.83				
$	5,496.21	$	5,388.44				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	45,468.52	$	44,576.98				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	20,822,207.54	$	20,413,928.96				
$	26,554,710.53	$	26,034,029.93	$	32,663,485.00	$	(6,629,455.07)

	40.00%		40.00%				
$	3,525.86	$	3,525.86				
$	27,083.31	$	27,083.31				
$	63,983.76	$	63,983.76				
$	52,494.84	$	52,494.84				
$	17,281.91	$	17,281.91				
$	66,877.04	$	66,877.04				
$	3,149.52	$	3,149.52				
$	1,008.28	$	1,008.28				
$	448.06	$	448.06				
$	0.00	$	0.00				
$	52,271.81	$	52,271.81				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	318.42	$	318.42				
$	15.46	$	15.46				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	804.55	$	804.55				
$	289,262.84	$	289,262.84	$	2,070,361.00	$	(1,781,098.16)

	-11.00%		0.00%
$	20,141.87	$	18,145.83
$	211,710.24	$	190,729.95
$	42,282.97	$	38,092.77
$	738,850.56	$	665,631.13
$	259,077.21	$	233,402.89
$	355,313.36	$	320,102.12
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	125,680.07	$	113,225.29				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	452,224.18	$	407,409.18				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	12,522,908.62	$	11,281,899.66				
$	14,728,189.08	$	13,268,638.81	$	15,865,315.00	$	(2,596,676.19)

	-3.00%		0.00%
$	12,079.74	$	11,727.90
$	112,525.82	$	109,248.37
$	0.00	$	0.00
$	0.00	$	0.00
$	2,850,888.95	$	2,767,853.35
$	4,394.24	$	4,266.26
$	0.00	$	0.00
$	152,130.65	$	147,699.66
$	205,247.29	$	199,269.22
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	27,335.46	$	26,539.28
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	27,573.90	$	26,770.78				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	66,799.01	$	64,853.41				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	11,239.42	$	10,912.06				
$	2,209.82	$	2,145.46				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,255,152.40	$	2,189,468.35				
$	5,727,576.71	$	5,560,754.09	$	5,166,929.00	$	393,825.09

	0.00%		0.00%
$	75.44	$	75.44
$	702.83	$	702.83
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	2,879.21	$	2,879.21
$	0.00	$	0.00

$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,049.24	$	2,049.24				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,995.43	$	2,995.43				
$	0.00	$	0.00				
$	41.53	$	41.53				
$	1,079.79	$	1,079.79				
$	0.00	$	0.00				
$	14,091.14	$	14,091.14				
$	0.00	$	0.00				
$	40,661.11	$	40,661.11				
$	64,575.73	$	64,575.73	$	78,920.00	$	(14,344.27)

	-12.00%		0.00%
$	11,917.20	$	10,640.35
$	13,759.18	$	12,284.98
$	43,011.15	$	38,402.81
$	0.00	$	0.00
$	0.00	$	0.00
$	174,458.84	$	155,766.82
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	86,379.14	$	77,124.23
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	243,591.28	$	217,492.21
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	37,100.08	$	33,125.07
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 29,855.69	$ 26,656.87		
$ 849.61	$ 758.58		
$ 0.00	$ 0.00		
$ 0.00	$ 0.00		
$ 2,117,618.65	$ 1,890,730.94		
$ 2,758,540.81	$ 2,462,982.87	$ 3,293,313.00	$ (830,330.13)

-3.00%	0.00%
$ 26,534.47	$ 26,534.47
$ 13,443.78	$ 13,443.78
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 293,269.36	$ 293,269.36
$ 584,090.57	$ 584,090.57
$ 332,248.79	$ 332,248.79
$ 0.00	$ 0.00
$ 14,469.84	$ 14,469.84
$ 108,936.70	$ 108,936.70
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 149,120.52	$ 149,120.52
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 336,249.19	$ 336,249.19
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 78,288.07	$ 78,288.07
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00
$ 0.00	$ 0.00

$	2,902.51	$	2,902.51				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	2,643,084.01	$	2,643,084.01				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	823,208.17	$	823,208.17				
$	5,405,845.97	$	5,405,845.97	$	10,230,715.00	$	(4,824,869.03)

	-2.00%		0.00%
$	48,654.81	$	47,700.79
$	116,321.35	$	114,040.54
$	256,120.81	$	251,098.83
$	372,859.34	$	365,548.37
$	451,909.73	$	443,048.75
$	544,874.52	$	534,190.71
$	23,572.00	$	23,109.80
$	50,808.27	$	49,812.03
$	58,975.12	$	57,818.74
$	34,655.56	$	33,976.04
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	274.91	$	269.52
$	0.00	$	0.00
$	241,081.17	$	236,354.09
$	35,776.82	$	35,075.32
$	79,434.93	$	77,877.38
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	20,978.08	$	20,566.75
$	39,685.41	$	38,907.26
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	400,175.94	$	392,329.35
$	17,099.98	$	16,764.69
$	36,003.12	$	35,297.18
$	0.00	$	0.00

$	5,175.29	$	5,073.81				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	8,277,557.64	$	8,115,252.59				
$	11,111,994.80	$	10,894,112.55	$	15,542,389.00	$	(4,648,276.45)

	40.00%		40.00%				
$	5,167.84	$	5,167.84				
$	12,354.97	$	12,354.97				
$	24,859.15	$	24,859.15				
$	87,966.65	$	87,966.65				
$	8,490.10	$	8,490.10				
$	37,066.67	$	37,066.67				
$	871.45	$	871.45				
$	81.77	$	81.77				
$	41.60	$	41.60				
$	313.37	$	313.37				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	32.89	$	32.89				
$	0.00	$	0.00				
$	70.94	$	70.94				
$	131.70	$	131.70				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	302.58	$	302.58				
$	177,751.68	$	177,751.68	$	925,580.00	$	(747,828.32)

-11.00%	0.00%

$	33,696.62	$	30,357.32				
$	17,074.13	$	15,382.10				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	13,576.92	$	12,231.46				
$	478,947.28	$	431,484.04				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	345,680.09	$	311,423.50				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	5,473.03	$	4,930.66				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	7,523,134.74	$	6,777,598.87				
$	8,417,582.81	$	7,583,407.94	$	10,068,397.00	$	(2,484,989.06)

	-3.00%		0.00%
$	9,377.43	$	9,104.30
$	4,751.48	$	4,613.09
$	0.00	$	0.00

$	0.00	$	0.00				
$	11,111.25	$	10,787.62				
$	108,157.28	$	105,007.07				
$	0.00	$	0.00				
$	51,735.56	$	50,228.70				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	227,728.90	$	221,096.02				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	53,480.97	$	51,923.27				
$	24,668.47	$	23,949.97				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	7,952.28	$	7,720.66				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	37,716.79	$	36,618.24				
$	0.00	$	0.00				
$	34,310.90	$	33,311.55				
$	17,996.67	$	17,472.50				
$	17,771.83	$	17,254.20				
$	0.00	$	0.00				
$	63,134.10	$	61,295.24				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	179,620.11	$	174,388.45				
$	1,839.32	$	1,785.75				
$	0.00	$	0.00				
$	0.00	$	0.00				
$	1,410,247.15	$	1,369,171.99				
$	2,261,600.47	$	2,195,728.61	$	2,878,758.00	$	(683,029.39)

	0.00%		0.00%
$	254.37	$	254.37
$	128.84	$	128.84
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00
$	0.00	$	0.00

$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 0.00	$ 0.00			
$ 33,304.31	$ 33,304.31			
$ 22,593.35	$ 22,593.35			
$ 56,280.88	$ 56,280.88	$ 78,262.00	$ (21,981.12)	
		$ 173,778,844.00	$ (46,437,083.52)	$ (46,437,083.52)
				$ (1,314,856,413.75)

STANDALONE IMPACT OF CHANGE IN COAL LIVES
TO 60 YEARS AND MANATEE AND MARTIN LIVES TO 50 YEARS

Steam	$99,476,072	$67,049,348	($32,426,724)	-86084
Nuclear	$93,658,545	$93,687,745	$29,200	
Combined Cycle	$204,079,249	$204,090,169	$10,920	
Other Production	$10,133,223	$10,070,060	($63,163)	
Total Production	$407,347,089	$374,897,322	($32,449,767)	

STEAM PRODUCTION

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Cutler Common												
311	$5,973,901	-5.0%	($298,695)	$6,074,928	$197,668	10.5	0.0041	10.4	$19,007	0.32%	$18,968	$39
312	$817,291	-11.0%	($89,902)	$692,141	$215,052	10.5	0.0075	10	$21,505	2.63%	$21,558	($53)
314	$1,234,614	0.0%	$0	$1,356,414	($121,800)	10.5	0.0077	0	$0	0.00%	$0	$0
315	$1,058,634	-12.0%	($127,036)	$1,023,308	$162,362	10.5	0.0078	10.2	$15,918	1.50%	$15,859	$59
316	$627,886	-4.0%	($25,115)	$671,750	($18,749)	10.5	0.0083	0	$0	0.00%	$0	$0
Total	$9,712,326		($540,749)	$9,818,541	$434,534	10.5			$56,430		$56,385	$45
Cutler 5												
311	$423,784	-5.0%	($21,189)	$402,046	$42,927	10.5	0.0041	10.3	$4,168	0.98%	$4,166	$2
312	$5,530,327	-11.0%	($608,336)	$5,441,757	$696,906	10.5	0.0075	10	$69,691	1.26%	$69,390	$301
314	$5,999,465	0.0%	$0	$5,038,174	$961,291	10.5	0.0077	10	$96,129	1.60%	$96,231	($102)
315	$2,340,096	-12.0%	($280,812)	$2,230,375	$390,533	10.5	0.0078	10	$39,053	1.67%	$38,863	$190
316	$233,543	-4.0%	($9,342)	$94,141	$148,744	10.5	0.0083	10.1	$14,727	6.31%	$14,777	($50)
Total	$14,527,215		($919,678)	$13,206,493	$2,240,400	10.5			$223,768		$223,427	$341
Cutler 6												
311	$412,315	-5.0%	($20,616)	$390,736	$42,195	10.5	0.0041	9.7	$4,350	1.06%	$4,346	$4
312	$17,878,953	-11.0%	($1,966,685)	$9,717,420	$10,128,218	10.5	0.0075	10.2	$992,963	5.55%	$994,427	($1,464)
314	$8,588,788	0.0%	$0	$8,178,602	$410,186	10.5	0.0077	10.1	$40,612	0.47%	$40,738	($126)
315	$3,055,523	-12.0%	($366,663)	$3,115,214	$306,972	10.5	0.0078	10.1	$30,393	0.99%	$30,373	$20
316	$123,506	-4.0%	($4,940)	$70,178	$58,268	10.5	0.0083	9.7	$6,007	4.86%	$5,979	$28
	$30,059,085		($2,358,904)	$21,472,150	$10,945,839	10.5			$1,074,325		$1,075,863	($1,538)
Total Cutler	$54,298,626		($3,819,331)	$44,497,184	$13,620,773				$1,354,523		$1,355,675	($1,152)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Manatee Steam Plant												
Manatee Common												
311	$96,350,477	-5.0%	($4,817,524)	$66,182,177	$34,985,824	17.5	0.0041	17.2	$2,034,060	2.11%	$3,423,959	($1,389,899)
312	$2,032,783	-11.0%	($223,606)	$2,351,080	($94,691)	17.5	0.0075	7	$0	0.00%	$-0	$0
314	$11,281,165	0.0%	$0	$7,381,751	$3,899,414	17.5	0.0077	16.9	$230,735	2.05%	$395,105	($164,370)
315	$9,282,558	-12.0%	($1,113,907)	$7,480,218	$2,916,247	17.5	0.0078	16.6	$175,678	1.89%	$302,558	($126,880)
316	$2,505,571	-4.0%	($100,223)	$2,163,270	$442,524	17.5	0.0083	17.3	$25,579	1.02%	$43,085	($17,506)
Total	$121,452,554		($6,255,260)	$85,558,496	$42,149,318	17.5			$2,466,051		$4,164,707	($1,698,656)
Manatee Unit 1												
311	$7,311,443	-5.0%	($365,572)	$6,056,272	$1,620,743	17.5	0.0041	17.1	$94,780	1.30%	$160,093	($65,313)
312	$125,082,972	-11.0%	($13,759,127)	$88,747,199	$50,094,900	17.5	0.0075	17	$2,946,759	2.36%	$4,986,604	($2,039,845)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
314	$64,713,219	0.0%	$0	$43,658,860	$21,054,359	17.5	0.0077	16.9	$1,245,820	1.93%	$2,118,431	($872,611)
315	$10,668,482	-12.0%	($1,280,218)	$8,484,911	$3,463,789	17.5	0.0078	17.3	$200,219	1.88%	$335,111	($134,892)
316	$3,065,530	-4.0%	($122,621)	$2,300,726	$887,425	17.5	0.0083	16.4	$54,111	1.77%	$94,561	($40,450)
Total	$210,841,646		($15,527,538)	$149,247,968	$77,121,216	17.5			$4,541,689		$7,694,800	($3,153,111)
Manatee Unit 2												
311	$5,286,225	-5.0%	($264,311)	$4,349,570	$1,200,966	17.5	0.0041	17.1	$70,232	1.33%	$118,563	($48,331)
312	$116,916,975	-11.0%	($12,860,867)	$65,449,562	$64,328,280	17.5	0.0075	16.9	$3,806,407	3.26%	$6,504,955	($2,698,548)
314	$61,991,571	0.0%	$0	$47,866,381	$14,125,190	17.5	0.0077	17	$830,894	1.34%	$1,411,121	($580,227)
315	$7,832,693	-12.0%	($939,923)	$6,159,150	$2,613,466	17.5	0.0078	17.4	$150,199	1.92%	$252,241	($102,042)
316	$2,217,093	-4.0%	($88,684)	$1,713,083	$592,694	17.5	0.0083	16.5	$35,921	1.62%	$62,330	($26,409)
Total	$194,244,557		($14,153,785)	$125,537,746	$82,860,596	17.5			$4,893,653		$8,349,210	($3,455,557)
Total Manat	$526,538,757		($35,936,583)	$360,344,210	$202,131,130				$11,901,393		$20,208,717	($8,307,324)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Martin Steam Plant												
311	$236,118,421	-5.0%	($11,805,921)	$199,736,765	$48,187,577	21.5	0.0041	20.6	$2,339,203	0.99%	$4,748,635	($2,409,432)
312	$4,159,551	-11.0%	($457,551)	$3,968,319	$648,783	21.5	0.0075	20.6	$31,494	0.76%	$63,988	($32,494)
314	$26,277,902	0.0%	$0	$20,072,953	$6,204,949	21.5	0.0077	20.4	$304,164	1.16%	$627,676	($323,512)
315	$7,648,705	-12.0%	($917,845)	$6,646,272	$1,920,278	21.5	0.0078	20.5	$93,672	1.22%	$191,355	($97,683)
316	$2,788,671	-4.0%	($111,547)	$2,658,816	$241,402	21.5	0.0083	20.8	$11,606	0.42%	$23,544	($11,938)
Total	$276,993,250		($13,292,863)	$233,083,125	$57,202,988	21.5			$2,780,139		$5,655,198	($2,875,059)
Martin Pipeline												
312	$370,940	-11.0%	($40,803)	$370,942	$40,801	21.5	0.0075	20.4	$2,000	0.54%	$4,121	($2,121)
Total	$370,940		($40,803)	$370,942	$40,801	21.5			$2,000		$4,121	($2,121)
Martin Unit 1												
311	$15,381,834	-5.0%	($769,092)	$14,323,981	$1,826,945	21.5	0.0041	20.6	$88,687	0.58%	$180,122	($91,435)
312	$138,526,135	-11.0%	($15,237,875)	$117,549,375	$36,214,635	21.5	0.0075	20.1	$1,801,723	1.30%	$3,769,275	($1,967,552)
314	$76,392,977	0.0%	$0	$58,217,327	$18,175,650	21.5	0.0077	20.3	$895,352	1.17%	$1,849,645	($954,293)
315	$20,097,362	-12.0%	($2,411,683)	$18,525,818	$3,983,227	21.5	0.0078	20.6	$193,361	0.96%	$393,089	($199,728)
316	$2,580,596	-4.0%	($103,224)	$2,316,994	$366,826	21.5	0.0083	20.3	$18,070	0.70%	$37,251	($19,181)
Total	$252,978,904		($18,521,874)	$210,933,495	$60,567,283	21.5			$2,997,193		$6,229,382	($3,232,189)
Martin Unit 2												
311	$11,123,219	-5.0%	($556,161)	$10,371,694	$1,307,686	21.5	0.0041	20.7	$63,173	0.57%	$128,802	($65,629)
312	$143,922,027	-11.0%	($15,831,423)	$110,427,775	$49,325,675	21.5	0.0075	20.2	$2,441,865	1.70%	$5,088,444	($2,646,579)
314	$62,777,097	0.0%	$0	$43,619,337	$19,157,760	21.5	0.0077	20.3	$943,732	1.50%	$1,954,223	($1,010,491)
315	$17,891,013	-12.0%	($2,146,922)	$14,174,047	$5,863,888	21.5	0.0078	20.7	$283,280	1.58%	$572,538	($289,258)
316	$2,200,607	-4.0%	($88,024)	$1,984,288	$304,343	21.5	0.0083	20.2	$15,066	0.68%	$31,261	($16,195)
Total	$237,913,963		($18,622,530)	$180,577,141	$75,959,352	21.5			$3,747,116		$7,775,268	($4,028,152)
Total Martin	$768,257,057		($50,478,070)	$624,964,703	$193,770,424				$9,526,448		$19,663,969	($10,137,521)

OPC 01197

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Pt. Everglades Steam Plant												
Pt. Everglades Common												
311	$24,463,219	-5.0%	($1,223,161)	$19,474,779	$6,211,601	10.5	0.0041	10.4	$597,269	2.44%	$598,639	($1,370)
312	$2,831,767	-11.0%	($311,494)	$1,063,962	$2,079,299	10.5	0.0075	10.1	$205,871	7.27%	$206,004	($133)
314	$4,830,537	0.0%	$0	$2,708,107	$2,122,430	10.5	0.0077	10	$212,243	4.39%	$212,056	$187
315	$6,006,107	-12.0%	($720,733)	$4,948,543	$1,778,297	10.5	0.0078	10.3	$172,650	2.87%	$172,131	$519
316	$2,005,034	-4.0%	($80,201)	$1,561,640	$523,595	10.5	0.0083	10.1	$51,841	2.59%	$51,932	($91)
Total	$40,136,664		($2,335,590)	$29,757,031	$12,715,223	10.5			$1,239,875		$1,240,762	($887)
Pt. Everglades Unit 1												
311	$1,840,592	-5.0%	($92,030)	$1,413,369	$519,253	10.5	0.0041	9.9	$52,450	2.85%	$52,289	$161
312	$34,942,212	-11.0%	($3,843,643)	$30,785,069	$8,000,786	10.5	0.0075	10.3	$776,775	2.22%	$777,851	($1,076)
314	$17,391,669	0.0%	$0	$13,273,559	$4,118,110	10.5	0.0077	10.1	$407,734	2.34%	$409,242	($1,508)
315	$7,962,611	-12.0%	($955,513)	$3,317,503	$5,600,621	10.5	0.0078	10.4	$538,521	6.76%	$540,353	($1,832)
316	$503,103	-4.0%	($20,124)	$155,795	$367,432	10.5	0.0083	9.4	$39,089	7.77%	$39,100	($11)
Total	$62,640,187		($4,911,310)	$48,945,295	$18,606,202	10.5			$1,814,569		$1,818,835	($4,266)
Pt. Everglades Unit 2												
311	$1,732,046	-5.0%	($86,602)	$1,073,033	$745,615	10.5	0.0041	10.1	$73,823	4.26%	$74,053	($230)
312	$39,657,434	-11.0%	($4,362,318)	$33,026,508	$10,993,244	10.5	0.0075	10.3	$1,067,305	2.69%	$1,069,561	($2,256)
314	$17,170,811	0.0%	$0	$9,730,189	$7,440,622	10.5	0.0077	9.8	$759,247	4.42%	$760,450	($1,203)
315	$9,508,129	-12.0%	($1,140,975)	$5,518,068	$5,131,036	10.5	0.0078	10.4	$493,369	5.19%	$495,192	($1,823)
316	$549,842	-4.0%	($21,994)	$191,522	$380,314	10.5	0.0083	9.6	$39,616	7.20%	$39,438	$178
Total	$68,618,262		($5,611,889)	$49,539,320	$24,690,831	10.5			$2,433,361		$2,438,694	($5,333)
Pt. Everglades Unit 3												
311	$5,811,192	-5.0%	($290,560)	$799,291	$5,302,461	10.5	0.0041	10.4	$509,852	8.77%	$511,057	($1,205)
312	$78,802,927	-11.0%	($8,668,322)	$44,970,182	$42,501,067	10.5	0.0075	10.1	$4,208,026	5.34%	$4,211,675	($3,649)
314	$25,278,630	0.0%	$0	$10,888,684	$14,389,946	10.5	0.0077	9.8	$1,468,362	5.81%	$1,461,444	$6,918
315	$13,169,884	-12.0%	($1,580,386)	$7,492,120	$7,258,150	10.5	0.0078	10.2	$711,583	5.40%	$709,219	$2,364
316	$402,449	-4.0%	($16,098)	$225,808	$192,739	10.5	0.0083	10.2	$18,896	4.70%	$18,818	$78
Total	$123,465,082		($10,555,366)	$64,376,085	$69,644,363	10.5			$6,916,720		$6,912,213	$4,507
Pt. Everglades Unit 4												
311	$787,556	-5.0%	($39,378)	$568,650	$258,284	10.5	0.0041	10.4	$24,835	3.15%	$24,880	($45)
312	$97,124,127	-11.0%	($10,683,654)	$55,145,849	$52,661,932	10.5	0.0075	10.1	$5,214,053	5.37%	$5,213,411	$642
314	$23,073,436	0.0%	$0	$11,544,450	$11,528,986	10.5	0.0077	9.8	$1,176,427	5.10%	$1,174,273	$2,154
315	$15,289,269	-12.0%	($1,834,712)	$8,876,213	$8,247,768	10.5	0.0078	10.2	$808,605	5.29%	$805,051	$3,554
316	$172,080	-4.0%	($6,883)	$145,870	$33,093	10.5	0.0083	10.3	$3,213	1.87%	$3,223	($10)
Total	$136,446,468		($12,564,627)	$76,281,032	$72,730,063	10.5			$7,227,132		$7,220,838	$6,294
Total Pt. Ev	$431,306,663		($35,978,782)	$268,898,763	$198,386,682				$19,631,656		$19,631,342	$314

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Sanford Steam Plant												
Sanford Unit 3												
311	$4,701,046	-5.0%	($235,052)	$3,657,094	$1,279,004	10.5	0.0041	10.4	$122,981	2.62%	$123,202	($221)
312	$10,679,201	-11.0%	($1,174,712)	$10,049,469	$1,804,444	10.5	0.0075	10.2	$176,906	1.66%	$176,144	$762
314	$13,119,005	0.0%	$0	$4,491,872	$8,627,133	10.5	0.0077	9.5	$908,119	6.92%	$909,191	($1,072)
315	$4,585,245	-12.0%	($550,229)	$1,729,645	$3,405,829	10.5	0.0078	10.2	$333,905	7.28%	$334,704	($799)
316	$399,034	-4.0%	($15,961)	$354,395	$60,600	10.5	0.0083	10.3	$5,884	1.47%	$5,883	$1
Total	$33,483,531		($1,975,955)	$20,282,475	$15,177,011	10.5			$1,547,795		$1,549,124	($1,329)
Total Sanfo	$33,483,531		($1,975,955)	$20,282,475	$15,177,011				$1,547,795		$1,549,124	($1,329)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Scherer Steam Plant												
Scherer Coal Cars												
312	$34,174,990	-11.0%	($3,759,249)	$32,938,994	$4,995,245	38.5	0.0075	36.3	$137,610	0.40%	$272,689	($135,079)
Total	$34,174,990		($3,759,249)	$32,938,994	$4,995,245	38.5			$137,610		$272,689	($135,079)
Scherer Common												
311	$38,262,666	-5.0%	($1,913,133)	$25,274,737	$14,901,062	38.5	0.0041	36.7	$406,023	1.06%	$798,633	($392,610)
312	$21,879,850	-11.0%	($2,406,784)	$14,155,294	$10,131,340	38.5	0.0075	35.4	$286,196	1.31%	$581,938	($295,742)
314	$4,044,832	0.0%	$0	$3,203,638	$841,194	38.5	0.0077	35	$24,034	0.59%	$49,567	($25,533)
315	$1,235,563	-12.0%	($148,268)	$993,051	$390,780	38.5	0.0078	36	$10,855	0.88%	$21,736	($10,881)
316	$3,160,922	-4.0%	($126,437)	$2,367,100	$920,259	38.5	0.0083	35.4	$25,996	0.82%	$52,764	($26,768)
Total	$68,583,833		($4,594,621)	$45,993,820	$27,184,634	38.5			$753,105		$1,504,638	($751,533)
Scherer Common Unit 3 & 4												
311	$2,955,496	-5.0%	($147,775)	$2,518,453	$584,818	38.5	0.0041	36.6	$15,979	0.54%	$31,392	($15,413)
312	$17,081,036	-11.0%	($1,878,914)	$11,531,752	$7,428,198	38.5	0.0075	35.4	$209,836	1.23%	$426,951	($217,115)
314	$335,873	0.0%	$0	$285,101	$50,772	38.5	0.0077	35	$1,451	0.43%	$2,980	($1,529)
315	$292,934	-12.0%	($35,152)	$212,548	$115,538	38.5	0.0078	36.1	$3,201	1.09%	$6,369	($3,168)
Total	$20,665,339		($2,061,841)	$14,547,854	$8,179,326	38.5			$230,466	1.12%	$467,692	($237,226)
Scherer Unit 4												
311	$64,076,617	-5.0%	($3,203,831)	$38,754,282	$28,526,166	38.5	0.0041	36.6	$779,403	1.22%	$1,535,168	($755,765)
312	$276,755,766	-11.0%	($30,443,134)	$172,000,115	$135,198,785	38.5	0.0075	35.3	$3,829,994	1.38%	$7,818,631	($3,988,637)
314	$116,669,482	0.0%	$0	$67,876,049	$48,793,433	38.5	0.0077	34.9	$1,398,093	1.20%	$2,884,899	($1,486,806)
315	$22,875,511	-12.0%	($2,745,061)	$15,693,441	$9,927,131	38.5	0.0078	36	$275,754	1.21%	$551,748	($275,994)
316	$4,337,834	-4.0%	($173,513)	$2,879,628	$1,631,719	38.5	0	35.9	$45,452	1.05%	$90,985	($45,533)
Total	$484,715,210		($36,565,540)	$297,203,515	$224,077,235	38.5			$6,328,695		$12,881,431	($6,552,736)
Total Scher	$608,139,372		($46,981,251)	$390,684,183	$264,436,440				$7,449,876		$15,126,450	($7,676,574)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
SJRPP Steam Plant												
SJRPP Coal & Limestone												
311	$3,835,845	-5.0%	($191,792)	$2,348,432	$1,679,205	37.5	0.0041	35.4	$47,435	1.24%	$96,407	($48,972)
312	$31,307,987	-11.0%	($3,443,879)	$20,733,572	$14,018,294	37.5	0.0075	33.8	$414,742	1.32%	$884,944	($470,202)
315	$3,776,787	-12.0%	($453,214)	$2,942,226	$1,287,775	37.5	0.0078	34.6	$37,219	0.99%	$77,460	($40,241)
316	$306,801	-4.0%	($12,272)	$248,280	$70,793	37.5	0.0083	33.5	$2,113	0.69%	$4,554	($2,441)
Total	$39,227,420		($4,101,157)	$26,272,510	$17,056,067	37.5			$501,510		$1,063,365	($561,855)
SJRPP Coal Cars												
312	$2,725,310	-11.0%	($299,784)	$2,672,650	$352,444	37.5	0.0075	35.7	$9,872	0.36%	$19,878	($10,006)
Total	$2,725,310		($299,784)	$2,672,650	$352,444	37.5			$9,872		$19,878	($10,006)
SJRPP Common												
311	$43,483,249	-5.0%	($2,174,162)	$22,008,384	$23,649,027	37.5	0.0041	35.8	$660,587	1.52%	$1,329,160	($668,573)
312	$4,841,873	-11.0%	($532,606)	$2,114,111	$3,260,368	37.5	0.0075	34.8	$93,689	1.93%	$194,405	($100,716)
314	$3,464,477	0.0%	$0	$1,649,923	$1,814,554	37.5	0.0077	34.3	$52,902	1.53%	$111,178	($58,276)
315	$7,914,407	-12.0%	($949,729)	$4,659,423	$4,204,713	37.5	0.0078	35.3	$119,114	1.51%	$243,016	($123,902)
316	$2,173,083	-4.0%	($86,923)	$1,463,580	$796,426	37.5	0.0083	35.5	$22,435	1.03%	$45,479	($23,044)
Total	$61,877,089		($3,743,421)	$31,895,421	$33,725,089	37.5			$948,727		$1,923,238	($974,511)
SJRPP Gypsum & Ash												
311	$2,079,386	-5.0%	($103,969)	$1,437,419	$745,936	37.5	0.0041	35.4	$21,072	1.01%	$42,912	($21,840)
312	$17,574,970	-11.0%	($1,933,247)	$14,372,745	$5,135,472	37.5	0.0075	34	$151,043	0.86%	$321,134	($170,091)
315	$53,709	-12.0%	($6,445)	$32,364	$27,790	37.5	0.0078	35.1	$792	1.47%	$1,625	($833)
316	$112,764	-4.0%	($4,511)	$81,078	$36,197	37.5	0.0083	33.5	$1,080	0.96%	$2,333	($1,253)
Total	$19,820,829		($2,048,172)	$15,923,606	$5,945,395	37.5			$173,987		$368,004	($194,017)
SJRPP Unit 1												
311	$12,636,281	-5.0%	($631,814)	$6,330,456	$6,937,639	37.5	0.0041	35.7	$194,332	1.54%	$390,867	($196,535)
312	$100,097,129	-11.0%	($11,010,684)	$49,273,277	$61,834,536	37.5	0.0075	34.6	$1,787,125	1.79%	$3,721,876	($1,934,751)
314	$35,745,341	0.0%	$0	$15,820,181	$19,925,160	37.5	0.0077	34.4	$579,220	1.62%	$1,213,181	($633,961)
315	$15,979,993	-12.0%	($1,917,599)	$9,748,498	$8,149,094	37.5	0.0078	35.4	$230,200	1.44%	$468,881	($238,681)
316	$2,799,432	-4.0%	($111,977)	$1,525,561	$1,385,848	37.5	0.0083	34.8	$39,823	1.42%	$82,574	($42,751)
Total	$167,258,176		($13,672,075)	$82,697,973	$98,232,278	37.5			$2,830,700		$5,877,379	($3,046,679)
SJRPP Unit 2												
311	$7,487,417	-5.0%	($374,371)	$4,920,104	$2,941,684	37.5	0.0041	35.4	$83,098	1.11%	$169,117	($86,019)
312	$65,614,711	-11.0%	($7,217,618)	$42,156,598	$30,675,731	37.5	0.0075	33.9	$904,889	1.38%	$1,924,591	($1,019,702)
314	$24,131,830	0.0%	$0	$14,806,356	$9,325,474	37.5	0.0077	34.1	$273,474	1.13%	$579,661	($306,187)
315	$9,798,705	-12.0%	($1,175,845)	$7,694,036	$3,280,514	37.5	0.0078	34.6	$94,813	0.97%	$197,046	($102,233)
316	$1,622,572	-4.0%	($64,903)	$1,132,958	$554,517	37.5	0.0083	33.9	$16,357	1.01%	$34,823	($18,466)
Total	$108,655,235		($8,832,737)	$70,710,052	$46,777,920	37.5			$1,372,632		$2,905,238	($1,532,606)

OPC 011977

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Total SJRPI	$399,564,059		($32,697,345)	$230,172,212	$202,089,192				$5,837,428		$12,157,102	($6,319,674)
Turkey Point Steam Plant												
Turkey Point Common												
311	$9,974,936	-5.0%	($498,747)	$8,508,390	$1,965,293	10.5	0.0041	10.4	$188,970	1.89%	$188,940	$30
312	$2,839,101	-11.0%	($312,301)	$1,662,708	$1,488,694	10.5	0.0075	10.2	$145,950	5.14%	$145,609	$341
314	$1,590,774	0.0%	$0	$1,113,631	$477,143	10.5	0.0077	10.1	$47,242	2.97%	$47,399	($157)
315	$3,671,052	-12.0%	($440,526)	$3,146,875	$964,703	10.5	0.0078	10.3	$93,661	2.55%	$93,777	($116)
316	$1,189,610	-4.0%	($47,584)	$932,326	$304,868	10.5	0.0083	10.3	$29,599	2.49%	$29,629	($30)
Total	$19,265,473		($1,299,159)	$15,363,930	$5,200,702	10.5			$505,422		$505,354	$68
Turkey Point Unit 1												
311	$2,269,026	-5.0%	($113,451)	$1,657,463	$725,014	10.5	0.0041	10.3	$70,390	3.10%	$70,186	$204
312	$71,130,814	-11.0%	($7,824,390)	$46,737,167	$32,218,037	10.5	0.0075	10.1	$3,189,905	4.48%	$3,175,700	$14,205
314	$25,082,846	0.0%	$0	$15,434,221	$9,648,625	10.5	0.0077	10	$964,863	3.85%	$964,711	$152
315	$5,105,015	-12.0%	($612,602)	$2,992,130	$2,725,487	10.5	0.0078	10.1	$269,850	5.29%	$270,562	($712)
316	$729,112	-4.0%	($29,164)	$484,001	$274,275	10.5	0.0083	10.3	$26,629	3.65%	$26,751	($122)
Total	$104,316,813		($8,579,607)	$67,304,982	$45,591,438	10.5			$4,521,636		$4,507,910	$13,726
Turkey Point Unit 2												
311	$2,585,697	-5.0%	($129,285)	$1,848,067	$866,915	10.5	0.0041	10.4	$83,357	3.22%	$83,509	($152)
312	$54,758,844	-11.0%	($6,023,473)	$32,817,674	$27,964,643	10.5	0.0075	10.2	$2,741,632	5.01%	$2,736,884	$4,748
314	$25,717,422	0.0%	$0	$12,610,713	$13,106,709	10.5	0.0077	10	$1,310,671	5.10%	$1,315,564	($4,893)
315	$8,029,283	-12.0%	($963,514)	$2,586,297	$6,406,500	10.5	0.0078	10.2	$628,088	7.82%	$625,087	$3,001
316	$401,764	-4.0%	($16,071)	$328,312	$89,523	10.5	0.0083	9.5	$9,423	2.35%	$9,385	$38
Total	$91,493,010		($7,132,342)	$50,191,063	$48,434,289	10.5			$4,773,171		$4,770,429	$2,742
Total Turke	$215,075,296		($17,011,108)	$132,859,975	$99,226,429				$9,800,229		$9,783,693	$16,536
Steam	$3,036,663,361		($224,878,425)	$2,072,703,705	$1,188,838,081				$67,049,348		$99,476,072	($32,426,724)

NUCLEAR PRODUCTION

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Nuclear Production Plant												
St. Lucie Nuclear Plant												
321	$343,585,840	0.0%	$0	$188,941,755	$154,644,085	30.5	0.0017	20.9	$7,399,239	2.15%	$7,397,355	$1,884
322	$78,860,497	-4.0%	($3,154,420)	$27,134,974	$54,879,943	30.5	0.0044	27	$2,032,590	2.58%	$2,030,488	$2,102
323	$673,278	0.0%	$0	$3,128,795	($2,455,517)	30.5	0.0088	0	$0	0.00%	$0	$0
324	$31,186,353	-18.0%	($5,613,544)	$20,419,506	$16,380,391	30.5	0.0011	23.9	$685,372	2.20%	$684,826	$546
325	$23,912,279	0.0%	$0	$13,085,814	$10,826,465	30.5	0.0027	27	$400,980	1.68%	$400,714	$266
Total	$478,218,247		($8,767,963)	$252,710,844	$234,275,366				$10,518,181		$10,513,383	$4,798
St. Lucie Unit 1												
321	$162,204,629	0.0%	$0	$95,748,242	$66,456,387	30.5	0.0017	16.7	$3,979,424	2.45%	$3,968,425	$10,999
322	$484,411,228	-4.0%	($19,376,449)	$218,892,777	$284,894,900	30.5	0.0044	22.8	$12,495,390	2.58%	$12,486,836	$8,554
323	$60,630,329	0.0%	$0	$46,868,841	$13,761,488	30.5	0.0088	20.9	$658,444	1.09%	$657,344	$1,100
324	$78,893,831	-18.0%	($14,200,890)	$50,499,654	$42,595,067	30.5	0.0011	19.9	$2,140,456	2.71%	$2,137,453	$3,003
325	$10,597,550	0.0%	$0	$8,460,696	$2,136,854	30.5	0.0027	22.7	$94,135	0.89%	$94,042	$93
Total	$796,737,567		($33,577,339)	$420,470,210	$409,844,696				$19,367,849		$19,344,100	$23,749
St. Lucie Nuclear Plant												
321	$252,865,619	0.0%	$0	$162,270,170	$90,595,449	30.5	0.0017	17.8	$5,089,632	2.01%	$5,094,733	($5,101)
322	$701,058,570	-4.0%	($28,042,343)	$286,627,567	$442,473,346	30.5	0.0044	25.7	$17,216,862	2.46%	$17,212,635	$4,227
323	$81,377,496	0.0%	$0	$57,593,310	$23,784,186	30.5	0.0088	18.6	$1,278,720	1.57%	$1,276,398	$2,322
324	$160,196,421	-18.0%	($28,835,356)	$99,173,648	$89,858,129	30.5	0.0011	21.7	$4,140,928	2.58%	$4,149,839	($8,911)
325	$20,747,433	0.0%	$0	$14,209,133	$6,538,300	30.5	0.0027	26.8	$243,966	1.18%	$244,194	($228)
Total	$1,216,245,539		($56,877,699)	$619,873,828	$653,249,410				$27,970,107		$27,977,799	($7,692)
Total St. Lu	$2,491,201,353		($99,223,001)	$1,293,054,882	$1,297,369,472				$57,856,138		$57,835,282	$20,856

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Turkey Point Nuclear Plant												
Turkey Point Common												
321	$280,753,503	0.0%	$0	$150,713,277	$130,040,226	23.5	0.0017	20.5	$6,343,426	2.26%	$6,337,601	$5,825
322	$53,315,074	-4.0%	($2,132,603)	$29,938,630	$25,509,047	23.5	0.0044	21.4	$1,192,012	2.24%	$1,194,585	($2,573)
323	$21,037,774	0.0%	$0	$4,547,145	$16,490,629	23.5	0.0088	20.4	$808,364	3.84%	$809,137	($773)
324	$48,095,983	-18.0%	($8,657,277)	$29,249,282	$27,503,978	23.5	0.0011	21.1	$1,303,506	2.71%	$1,301,200	$2,306
325	$27,575,932	0.0%	$0	$14,222,976	$13,352,956	23.5	0.0027	22.2	$601,485	2.18%	$600,175	$1,310
Total	$430,778,266		($10,789,880)	$228,671,310	$212,896,836				$10,248,792		$10,242,698	$6,094
Turkey Point Unit 3												
321	$51,568,621	0.0%	$0	$26,021,875	$25,546,746	23.5	0.0017	18.6	$1,373,481	2.66%	$1,376,031	($2,550)
322	$272,369,788	-4.0%	($10,894,792)	$148,765,102	$134,499,478	23.5	0.0044	20.6	$6,529,101	2.40%	$6,538,674	($9,573)

323	$41,927,456	0.0%	$0	$27,910,607	$14,016,849	23.5	0.0088	16.5	$849,506	2.03%	$848,191	$1,315
324	$97,160,938	-18.0%	($17,488,969)	$69,116,708	$45,533,199	23.5	0.0011	19	$2,396,484	2.47%	$2,395,375	$1,109
325	$2,722,122	0.0%	$0	$2,132,477	$589,645	23.5	0.0027	20.7	$28,485	1.05%	$28,495	($10)
Total	$465,748,925		($28,383,760)	$273,946,769	$220,185,916				$11,177,057		$11,186,766	($9,709)
Turkey Point Unit 4												
321	$83,711,978	0.0%	$0	$38,231,060	$45,480,918	23.5	0.0017	20.2	$2,251,531	2.69%	$2,250,520	$1,011
322	$272,718,161	-4.0%	($10,908,726)	$143,701,832	$139,925,055	23.5	0.0044	21.3	$6,569,251	2.41%	$6,555,177	$14,074
323	$76,858,753	0.0%	$0	$46,357,990	$30,500,763	23.5	0.0088	17.7	$1,723,207	2.24%	$1,718,411	$4,796
324	$145,562,903	-18.0%	($26,201,323)	$94,298,628	$77,465,598	23.5	0.0011	20.3	$3,816,039	2.62%	$3,823,960	($7,921)
325	$3,912,597	0.0%	$0	$2,915,692	$996,905	23.5	0.0027	21.8	$45,730	1.17%	$45,731	($1)
Total	$582,764,392		($37,110,049)	$325,505,202	$294,369,239				$14,405,758		$14,393,799	$11,959
Total Turke	$1,479,291,583		($76,283,689)	$828,123,281	$727,451,991				$35,831,607		$35,823,263	$8,344
Nuclear	$3,970,492,936		($175,506,690)	$2,121,178,163	$2,024,821,463				$93,687,745		$93,658,545	$29,200

OPC 011980

OTHER PRODUCTION

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Launderdale Combined Cycle Plant												
Launderdale Common												
341	$74,718,137	-12.0%	($8,966,176)	$50,852,187	$32,832,126	10.5	0.0005	8.4	$3,908,586	5.23%	$3,889,663	$18,923
342	$9,414,115	-3.0%	($282,423)	$5,588,631	$4,107,907	10.5	0.0045	7.7	$533,494	5.67%	$533,025	$469
343	$35,523,207	-2.0%	$1,663,792	$4,724,080	$29,135,335	10.5	0.0015	8.9	$3,273,633	9.22%	$3,265,779	$7,854
344	$1,646,834	-11.0%	($181,152)	$916,636	$911,350	10.5	0.0002	6.2	$146,992	8.93%	$146,478	$514
345	$12,033,813	-3.0%	($361,014)	$7,746,021	$4,648,806	10.5	0.0001	9.2	$505,305	4.20%	$505,979	($674)
346	$930,984	0.0%	$0	$571,382	$359,602	10.5	0.001	8.1	$44,395	4.77%	$44,307	$88
Total	$134,267,090		($8,126,974)	$70,398,937	$71,995,127	10.5			$8,412,406		$8,385,231	$27,175
Launderdale Unit 4												
341	$4,790,462	-12.0%	($574,855)	$4,026,215	$1,339,102	10.5	0.0005	8.4	$159,417	3.33%	$159,912	($495)
342	$665,939	-3.0%	($19,978)	$399,889	$286,028	10.5	0.0045	8.6	$33,259	4.99%	$33,408	($149)
343	$144,270,473	-2.0%	$246,186	$83,930,531	$60,093,756	10.5	0.0015	10	$6,009,376	4.17%	$5,996,444	$12,932
344	$27,385,918	-11.0%	($3,012,451)	$15,841,475	$14,556,894	10.5	0.0002	10	$1,455,689	5.32%	$1,453,117	$2,572
345	$27,691,585	-3.0%	($830,748)	$18,566,718	$9,955,615	10.5	0.0001	9.3	$1,070,496	3.87%	$1,074,731	($4,235)
346	$2,602,044	0.0%	$0	$1,902,133	$699,911	10.5	0.001	7.5	$93,321	3.59%	$93,627	($306)
Total	$207,406,421		($4,191,847)	$124,666,961	$86,931,307	10.5			$8,821,559		$8,811,239	$10,320
					$0							
Launderdale Unit 5												
341	$2,978,287	-12.0%	($357,394)	$2,163,032	$1,172,649	10.5	0.0005	8.3	$141,283	4.74%	$140,468	$815
342	$665,779	-3.0%	($19,973)	$388,555	$297,197	10.5	0.0045	8.6	$34,558	5.19%	$34,488	$70
343	$129,534,725	-2.0%	($390,941)	$72,370,213	$57,555,453	10.5	0.0015	9.9	$5,813,682	4.49%	$5,810,106	$3,576
344	$29,242,014	-11.0%	($3,216,622)	$16,922,352	$15,536,284	10.5	0.0002	10.1	$1,538,246	5.26%	$1,544,312	($6,066)
345	$22,925,535	-3.0%	($687,766)	$15,692,247	$7,921,054	10.5	0.0001	9.2	$860,984	3.76%	$857,118	$3,866
346	$1,767,721	0.0%	$0	$1,240,205	$527,516	10.5	0.001	7.1	$74,298	4.20%	$73,835	$463
Total	$187,114,061		($4,672,696)	$108,776,604	$83,010,153	10.5			$8,463,051		$8,460,327	$2,724
Total Laude	$528,787,572		($16,991,517)	$303,842,502	$241,936,587				$25,697,016		$25,656,797	$40,219

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Ft. Myers Cycle Plant												
Ft. Myers Common												
341	$6,239,915	-12.0%	($748,790)	$3,876,401	$3,112,304	18.5	0.0005	2.6	$1,197,040	19.18%	$1,200,043	($3,003)
342	$791,798	-3.0%	($23,754)	$701,717	$113,835	18.5	0.0045	13	$8,757	1.11%	$8,726	$31
343	$65,228,776	-2.0%	$2,889,442	$8,568,229	$53,771,105	18.5	0.0015	13.8	$3,896,457	5.97%	$3,909,033	($12,576)
344	$8,965	-11.0%	($986)	($983)	$10,934	18.5	0.0002	8.3	$1,317	14.69%	$1,315	$2
345	$129,090	-3.0%	($3,873)	($93,693)	$226,656	18.5	0.0001	1.7	$133,327	103.28%	$134,114	($787)
346	$549,339	0.0%	$0	$464,100	$85,239	18.5	0.001	14.8	$5,759	1.05%	$5,777	($18)

Total	$72,947,883		$2,112,040	$13,515,771	$57,320,072	18.5			$5,242,657		$5,259,008	($16,351)
Ft. Myers Unit 2												
341	$24,646,981	-12.0%	($2,957,638)	$9,294,651	$18,309,968	18.5	0.0005	15.8	$1,158,859	4.70%	$1,162,475	($3,616)
342	$6,389,579	-3.0%	($191,687)	$1,882,844	$4,698,422	18.5	0.0045	13	$361,417	5.66%	$362,062	($645)
343	$372,701,340	-2.0%	($619,149)	$80,959,040	$292,361,449	18.5	0.0015	16.5	$17,718,876	4.75%	$17,699,535	$19,341
344	$40,107,032	-11.0%	($4,411,774)	$11,698,164	$32,820,642	18.5	0.0002	15.1	$2,173,552	5.42%	$2,172,385	$1,167
345	$51,228,656	-3.0%	($1,536,860)	$18,844,162	$33,921,354	18.5	0.0001	16.7	$2,031,219	3.97%	$2,031,929	($710)
346	$3,111,202	0.0%	$0	$875,951	$2,235,251	18.5	0.001	13.4	$166,810	5.36%	$166,767	$43
Total	$498,184,790		($9,717,107)	$123,554,812	$384,347,085	18.5			$23,610,732		$23,595,153	$15,579
Ft. Myers Unit 3												
341	$2,971,874	-12.0%	($356,625)	$451,954	$2,876,545	18.5	0.0005	17.3	$166,274	5.59%	$166,583	($309)
342	$3,896,617	-3.0%	($116,899)	$753,381	$3,260,135	18.5	0.0045	14.8	$220,279	5.65%	$220,051	$228
343	$74,167,566	-2.0%	$1,960,910	$4,907,365	$67,299,291	18.5	0.0015	14.7	$4,578,183	6.17%	$4,571,043	$7,140
344	$13,759,002	-11.0%	($1,513,490)	$1,935,596	$13,336,896	18.5	0.0002	18.2	$732,796	5.33%	$731,641	$1,155
345	$9,683,556	-3.0%	($290,507)	$1,821,193	$8,152,870	18.5	0.0001	17.4	$468,556	4.84%	$469,436	($880)
346	$481,988	0.0%	$0	$72,428	$409,560	18.5	0.001	15.2	$26,945	5.59%	$27,031	($86)
Total	$104,960,603		($316,611)	$9,941,917	$95,335,297	18.5			$6,193,034		$6,185,785	$7,249
Total Ft. My	$676,093,276		($316,611)	$147,012,500	$537,002,454				$35,046,423		$35,039,946	$6,477

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Manatee Combined Cycle Plant												
Manatee Unit 3												
341	$29,469,798	-12.0%	($3,536,376)	$6,281,544	$26,724,630	20.5	0.0005	19.2	$1,391,908	4.72%	$1,392,070	($162)
342	$4,590,462	-3.0%	($137,714)	$1,947,711	$2,780,465	20.5	0.0045	16.6	$167,498	3.65%	$167,418	$80
343	$322,367,885	-2.0%	$69,009	$24,615,580	$297,683,296	20.5	0.0015	17.7	$16,818,265	5.22%	$16,827,424	($9,159)
344	$42,301,618	-11.0%	($4,653,178)	$5,849,399	$41,105,397	20.5	0.0002	20.2	$2,034,921	4.81%	$2,033,100	$1,821
345	$45,805,658	-3.0%	($1,374,170)	$13,587,157	$33,592,671	20.5	0.0001	19.4	$1,731,581	3.78%	$1,734,115	($2,534)
346	$11,065,051	0.0%	$0	$4,334,772	$6,730,279	20.5	0.001	17	$395,899	3.58%	$396,832	($933)
Total	$455,600,472		($9,632,428)	$56,616,163	$408,616,737	20.5			$22,540,071		$22,550,959	($10,888)
Total Ft. My	$455,600,472		($9,632,428)	$56,616,163	$408,616,737				$22,540,071		$22,550,959	($10,888)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Martin Combined Cycle Plant												
Martin Common												
341	$42,702,563	-12.0%	($5,124,308)	$29,835,777	$17,991,094	10.5	0.0005	8.9	$2,021,471	4.73%	$2,017,356	$4,115
342	$4,060,727	-3.0%	($121,822)	$2,525,715	$1,656,834	10.5	0.0045	7.9	$209,726	5.16%	$208,532	$1,194
343	$19,947,437	-2.0%	$7,386	$17,039,769	$2,900,282	10.5	0.0015	8.9	$325,874	1.63%	$326,989	($1,115)
345	$4,854,959	-3.0%	($145,649)	$3,221,098	$1,779,510	10.5	0.0001	9.5	$187,317	3.86%	$188,040	($723)

346	$4,094,951	0.0%	$0	$3,513,934	$581,017	10.5	0.001	8.2	$70,856	1.73%	$71,146	($290)
Total	$75,660,637		($5,384,392)	$56,136,293	$24,908,736	10.5			$2,815,244		$2,812,063	$3,181
Martin Pipeline												
342	$13,328,900	-3.0%	($399,867)	$13,292,886	$435,881	10.5	0.0045	7.1	$61,392	0.46%	$61,055	$337
Total	$13,328,900		($399,867)	$13,292,886	$435,881	10.5			$61,392		$61,055	$337
Martin Unit 3												
341	$1,605,301	-12.0%	($192,636)	$926,983	$870,954	10.5	0.0005	9	$96,773	6.03%	$96,821	($48)
342	$170,896	-3.0%	($5,127)	$99,346	$76,677	10.5	0.0045	7.6	$10,089	5.90%	$10,150	($61)
343	$166,838,305	-2.0%	($875,870)	$90,011,193	$77,702,982	10.5	0.0015	9.9	$7,848,786	4.70%	$7,865,847	($17,061)
344	$20,771,119	-11.0%	($2,284,823)	$9,557,237	$13,498,705	10.5	0.0002	10.2	$1,323,402	6.37%	$1,326,415	($3,013)
345	$25,965,635	-3.0%	($778,969)	$18,422,527	$8,322,077	10.5	0.0001	9.5	$876,008	3.37%	$878,551	($2,543)
346	$544,629	0.0%	$0	$310,279	$234,350	10.5	0.001	7.2	$32,549	5.98%	$32,413	$136
Total	$215,895,885		($4,137,425)	$119,327,565	$100,705,745	10.5			$10,187,607		$10,210,197	($22,590)
Martin Unit 4												
341	$1,275,326	-12.0%	($153,039)	$666,386	$761,979	10.5	0.0005	8.8	$86,589	6.79%	$86,609	($20)
342	$170,507	-3.0%	($5,115)	$89,093	$86,529	10.5	0.0045	7.5	$11,537	6.77%	$11,477	$60
343	$179,942,423	-2.0%	($860,359)	$86,401,865	$94,400,917	10.5	0.0015	10	$9,440,092	5.25%	$9,458,517	($18,425)
344	$29,820,193	-11.0%	($3,280,221)	$11,636,365	$21,464,049	10.5	0.0002	10.3	$2,083,888	6.99%	$2,092,123	($8,235)
345	$24,224,816	-3.0%	($726,744)	$16,519,213	$8,432,347	10.5	0.0001	9.5	$887,616	3.66%	$885,665	$1,951
346	$487,415	0.0%	$0	$250,911	$236,504	10.5	0.001	7.2	$32,848	6.74%	$32,787	$61
Total	$235,920,680		($5,025,480)	$115,563,833	$125,382,327	10.5			$12,542,569		$12,567,178	($24,609)
Martin Unit 8												
341	$23,380,329	-12.0%	($2,805,639)	$4,305,227	$21,880,741	20.5	0.0005	18.9	$1,157,711	4.95%	$1,159,586	($1,875)
342	$11,051,816	-3.0%	($331,554)	$2,372,256	$9,011,114	20.5	0.0045	15.8	$570,324	5.16%	$568,548	$1,776
343	$328,996,497	-2.0%	$128,252	$53,780,305	$275,087,940	20.5	0.0015	17.8	$15,454,379	4.70%	$15,442,602	$11,777
344	$40,363,598	-11.0%	($4,439,996)	$6,565,908	$38,237,686	20.5	0.0002	20	$1,911,884	4.74%	$1,912,307	($423)
345	$52,690,040	-3.0%	($1,580,701)	$18,050,616	$36,220,125	20.5	0.0001	19.1	$1,896,342	3.60%	$1,900,662	($4,320)
346	$4,345,319	0.0%	$0	$3,585,699	$759,620	20.5	0.001	17.2	$44,164	1.02%	$44,110	$54
Total	$460,827,599		($9,029,639)	$88,660,011	$381,197,227	20.5			$21,034,803		$21,027,815	$6,988
Total Martin	$1,001,633,701		($9,029,639)	$392,980,588	$632,629,916				$46,641,615		$46,678,308	($36,693)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Putnam Combined Cycle Plant												
Putnam Common												
341	$12,728,938	-12.0%	($1,527,473)	$9,449,327	$4,807,084	10.5	0.0005	2	$2,403,542	18.88%	$2,414,572	($11,030)
342	$11,435,670	-3.0%	($343,070)	$8,470,029	$3,308,711	10.5	0.0045	9.8	$337,624	2.95%	$339,209	($1,585)
343	$20,146,555	-2.0%	$419,458	$11,834,606	$7,892,491	10.5	0.0015	9.4	$839,627	4.17%	$840,832	($1,205)
344	$170,569	-11.0%	($18,763)	$47,851	$141,481	10.5	0.0002	10.3	$13,736	8.05%	$13,712	$24
345	$1,523,346	-3.0%	($45,700)	$1,111,862	$457,184	10.5	0.0001	4.8	$95,247	6.25%	$95,007	$240
346	$1,440,520	0.0%	$0	$981,618	$458,902	10.5	0.001	4.5	$101,978	7.08%	$102,062	($84)

Total	$47,445,598		($1,515,548)	$31,895,293	$17,065,853	10.5			$3,791,753		$3,805,394	($13,641)
Putnam Unit 1												
341	$38,546	-12.0%	($4,626)	$31,993	$11,179	10.5	0.0005	1.6	$6,987	18.13%	$6,832	$155
342	$68,736	-3.0%	($2,062)	$56,084	$14,714	10.5	0.0045	5.9	$2,494	3.63%	$2,499	($5)
343	$61,302,516	-2.0%	$938,571	$42,334,924	$18,029,021	10.5	0.0015	9.7	$1,858,662	3.03%	$1,859,389	($727)
344	$7,708,123	-11.0%	($847,894)	$5,576,593	$2,979,424	10.5	0.0002	6.1	$488,430	6.34%	$488,792	($362)
345	$7,159,774	-3.0%	($214,793)	$5,892,353	$1,482,214	10.5	0.0001	6.2	$239,067	3.34%	$237,861	$1,206
346	$407,803	0.0%	$0	$332,744	$75,059	10.5	0.001	2.4	$31,275	7.67%	$31,836	($561)
Total	$76,685,498		($130,804)	$54,224,691	$22,591,611	10.5			$2,626,914		$2,627,209	($295)
Putnam Unit 2												
341	$38,546	-12.0%	($4,626)	$27,826	$15,346	10.5	0.0005	1.4	$10,961	28.44%	$10,964	($3)
342	$68,672	-3.0%	($2,060)	$48,851	$21,881	10.5	0.0045	4.4	$4,973	7.24%	$4,935	$38
343	$59,896,463	-2.0%	($12,659)	$39,499,582	$20,409,540	10.5	0.0015	9.8	$2,082,606	3.48%	$2,078,665	$3,941
344	$7,979,237	-11.0%	($877,716)	$6,074,669	$2,782,284	10.5	0.0002	7.6	$366,090	4.59%	$368,010	($1,920)
345	$7,332,410	-3.0%	($219,972)	$5,184,098	$2,368,284	10.5	0.0001	4.1	$577,630	7.88%	$581,068	($3,438)
346	$392,093	0.0%	$0	$278,918	$113,175	10.5	0.001	1.6	$70,734	18.04%	$68,668	$2,066
Total	$75,707,421		($1,117,033)	$51,113,944	$25,710,510	10.5			$3,112,995		$3,112,310	$685
Total Putna	$199,838,517		($1,117,033)	$137,233,928	$65,367,974				$9,531,662		$9,544,913	($13,251)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Sanford Combined Cycle Plant												
Sanford Common												
341	$60,722,293	-12.0%	($7,286,675)	$25,257,552	$42,751,416	18.5	0.0005	11.1	$3,851,479	6.34%	$3,840,276	$11,203
342	$86,458	-3.0%	($2,594)	$59,142	$29,910	18.5	0.0045	14.2	$2,106	2.44%	$2,104	$2
343	$9,672,403	-2.0%	$56,984	$14,848,670	($5,233,251)	18.5	0.0015	0	$0	0.00%	$0	$0
345	$1,165,661	-3.0%	($34,970)	$739,852	$460,779	18.5	0.0001	17.3	$26,635	2.28%	$26,706	($71)
346	$1,612,112	0.0%	$0	$905,341	$706,771	18.5	0.001	15.6	$45,306	2.81%	$45,407	($101)
Total	$73,258,927		($7,267,255)	$41,810,557	$38,715,625	18.5			$3,925,526		$3,914,493	$11,033
Sanford Unit 4												
341	$7,273,005	-12.0%	($872,761)	$3,129,303	$5,016,463	18.5	0.0005	15.6	$321,568	4.42%	$320,566	$1,002
342	$1,754,676	-3.0%	($52,640)	$564,066	$1,243,250	18.5	0.0045	14.7	$84,575	4.82%	$84,423	$152
343	$274,509,559	-2.0%	$3,790,592	$53,940,671	$216,778,296	18.5	0.0015	15.4	$14,076,513	5.13%	$14,065,881	$10,632
344	$28,084,480	-11.0%	($3,089,293)	$5,550,264	$25,623,509	18.5	0.0002	11	$2,329,410	8.29%	$2,327,577	$1,833
345	$33,206,417	-3.0%	($996,193)	$12,453,807	$21,748,803	18.5	0.0001	17.3	$1,257,156	3.79%	$1,255,924	$1,232
346	$3,248,040	0.0%	$0	$1,121,261	$2,126,779	18.5	0.001	15.1	$140,846	4.34%	$141,172	($326)
Total	$348,076,177		($1,220,294)	$76,759,372	$272,537,099	18.5			$18,210,068		$18,195,543	$14,525
Sanford Unit 5												
341	$6,858,890	-12.0%	($823,067)	$1,694,577	$5,987,380	17.5	0.0005	15.6	$383,806	5.60%	$382,994	$812
342	$1,765,435	-3.0%	($52,963)	$429,358	$1,389,040	17.5	0.0045	13.8	$100,655	5.70%	$100,556	$99
343	$254,614,619	-2.0%	($691,854)	$58,741,579	$196,564,894	17.5	0.0015	15.8	$12,440,816	4.89%	$12,422,282	$18,534

344	$30,030,624	-11.0%	($3,303,369)	$7,303,520	$26,030,473	17.5	0.0002	11.1	$2,345,088	7.81%	$2,342,756	$2,332
345	$33,483,343	-3.0%	($1,004,500)	$9,125,661	$25,362,182	17.5	0.0001	13.3	$1,906,931	5.70%	$1,913,123	($6,192)
346	$2,758,184	0.0%	$0	$670,798	$2,087,386	17.5	0.001	13.3	$156,946	5.69%	$156,776	$170
Total	$329,511,095		($5,875,753)	$77,965,493	$257,421,355	17.5			$17,334,243		$17,318,487	$15,756
Total Sanfo	$750,846,199		($5,875,753)	$196,535,422	$568,674,079				$39,469,836		$39,428,523	$41,313

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Turkey Point Combined Cycle Plant												
Turkey Point Unit 5												
341	$65,601,654	-12.0%	($7,872,198)	$7,133,546	$66,340,306	22.5	0.0005	21.2	$3,129,260	4.77%	$3,132,788	($3,528)
342	$12,540,827	-3.0%	($376,225)	$1,363,606	$11,553,446	22.5	0.0045	18.5	$624,511	4.98%	$625,544	($1,033)
343	$373,736,762	-2.0%	$14,775,518	$53,233,814	$305,727,430	22.5	0.0015	15.9	$19,228,140	5.14%	$19,241,595	($13,455)
344	$3,030,799	-11.0%	($333,388)	$321,374	$3,042,813	22.5	0.0002	22.2	$137,064	4.52%	$136,991	$73
345	$38,642,181	-3.0%	($1,159,265)	$5,401,892	$34,399,554	22.5	0.0001	21.3	$1,615,003	4.18%	$1,612,748	$2,255
346	$10,033,608	0.0%	$0	$1,871,815	$8,161,793	22.5	0.001	19	$429,568	4.28%	$430,137	($569)
Total	$503,585,831		$5,034,441	$69,326,047	$429,225,343	22.5			$25,163,545		$25,179,803	($16,258)
Total Turke	$503,585,831		$5,034,441	$69,326,047	$429,225,343				$25,163,545		$25,179,803	($16,258)
Total CC	$4,116,385,568		($37,928,540)	$1,303,547,150	$2,883,453,089				$204,090,169		$204,079,249	$10,920

OTHER PRODUCTION GTS

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Gas Turbines												
Lauderdale GTs												
341	$5,855,526	-12.0%	($702,663)	$5,275,911	$1,282,278	10.5	0.0005	9.5	$134,977	2.31%	$134,551	$426
342	$2,028,370	-3.0%	($60,851)	$2,169,355	($80,134)	10.5	0.0045	0	$0	0.00%	$0	$0
343	$45,124,101	-2.0%	($197,791)	$40,099,576	$5,222,316	10.5	0.0015	7.9	$661,053	1.46%	$657,712	$3,341
344	$17,811,067	-11.0%	($1,959,217)	$16,254,071	$3,516,213	10.5	0.0002	1.3	$2,704,780	15.19%	$2,744,747	($39,967)
345	$4,596,633	-3.0%	($137,899)	$4,240,719	$493,813	10.5	0.0001	10.1	$48,892	1.06%	$48,889	$3
346	$234,584	0.0%	$0	$213,624	$20,960	10.5	0.001	3.3	$6,352	2.71%	$6,329	$23
Total	$75,650,281		($3,058,422)	$68,253,256	$10,455,447	10.5			$3,556,053		$3,592,228	($36,175)
Ft. Myers GTs												
341	$4,027,168	-12.0%	($483,260)	$3,477,292	$1,033,136	10.5	0.0005	2.7	$382,643	9.50%	$385,582	($2,939)
342	$3,232,602	-3.0%	($96,978)	$3,185,872	$143,708	10.5	0.0045	10.3	$13,952	0.43%	$13,970	($18)
343	$46,543,314	-2.0%	($86,080)	$34,733,846	$11,895,548	10.5	0.0015	9.4	$1,265,484	2.72%	$1,266,616	($1,132)
344	$21,981,629	-11.0%	($2,417,979)	$15,865,315	$8,534,293	10.5	0.0002	3.6	$2,370,637	10.78%	$2,394,321	($23,684)
345	$14,207,743	-3.0%	($426,232)	$5,166,929	$9,467,046	10.5	0.0001	7.6	$1,245,664	8.77%	$1,244,851	$813
346	$91,395	0.0%	$0	$78,920	$12,475	10.5	0.001	2.5	$4,990	5.46%	$4,967	$23
Total	$90,083,851		($3,510,530)	$62,508,174	$31,086,207	10.5			$5,283,370		$5,310,307	($26,937)
Pt. Everglades GT's												
341	$3,986,996	-12.0%	($478,440)	$3,293,313	$1,172,123	10.5	0.0005	9.8	$119,604	3.00%	$119,911	($307)
342	$9,942,862	-3.0%	($298,286)	$10,230,715	$10,433	10.5	0.0045	10.3	$1,013	0.01%	$1,011	$2
343	$21,133,092	-2.0%	$161,015	$16,467,969	$4,504,108	10.5	0.0015	10	$450,411	2.13%	$452,491	($2,080)
344	$11,374,968	-11.0%	($1,251,246)	$10,068,397	$2,557,817	10.5	0.0002	4.3	$594,841	5.23%	$592,241	$2,600
345	$3,411,445	-3.0%	($102,343)	$2,878,758	$635,030	10.5	0.0001	10.2	$62,258	1.82%	$62,510	($252)
346	$95,330	0.0%	$0	$78,262	$17,068	10.5	0.001	6.8	$2,510	2.63%	$2,524	($14)
Total	$49,944,693		($1,969,300)	$43,017,414	$8,896,579	10.5			$1,230,637		$1,230,688	($51)
Total Gas T	$215,678,825		($1,969,300)	$173,778,844	$50,438,233				$10,070,060		$10,133,223	($63,163)

STANDALONE IMPACT OF CHANGE TO OPC NET SALVAGE

Steam	$99,476,072	$93,971,054	($5,505,018)
Nuclear	$93,658,545	$71,665,003	($21,993,542)
Combined Cycle	$204,079,249	$163,050,510	($41,028,739)
Other Production	$10,133,223	$4,822,891	($5,310,332)
Total Production	$407,347,089	$333,509,458	($73,837,631)

STEAM

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Cutler Common												
311	$5,973,901	-1.8%	($105,081)	$6,074,928	$4,054	10.5	0.0041	10.4	$390	0.01%	$18,968	($18,578)
312	$817,281	-11.0%	($89,902)	$692,141	$215,062	10.5	0.0075	10	$21,505	2.63%	$21,558	($53)
314	$1,234,614	6.6%	$81,991	$1,356,414	($203,791)	10.5	0.0077	0	$0	0.00%	$0	$0
315	$1,058,634	-12.0%	($127,036)	$1,023,308	$162,362	10.5	0.0078	10.2	$15,918	1.50%	$15,859	$59
316	$627,886	-4.0%	($25,115)	$671,750	($18,749)	10.5	0.0083	0	$0	0.00%	$0	$0
Total	$9,712,326		($265,144)	$9,818,541	$158,929	10.5			$37,813		$56,385	($18,572)
Cutler 5												
311	$423,784	-1.8%	($7,454)	$402,046	$29,192	10.5	0.0041	10.3	$2,834	0.67%	$4,166	($1,332)
312	$5,530,327	-11.0%	($608,336)	$5,441,757	$696,906	10.5	0.0075	10	$69,691	1.26%	$69,390	$301
314	$5,999,465	6.6%	$398,424	$5,038,174	$562,867	10.5	0.0077	10	$56,287	0.94%	$96,231	($39,944)
315	$2,340,096	-12.0%	($280,812)	$2,230,375	$390,533	10.5	0.0078	10	$39,053	1.67%	$38,863	$190
316	$233,543	-4.0%	($9,342)	$94,141	$148,744	10.5	0.0083	10.1	$14,727	6.31%	$14,777	($50)
Total	$14,527,215		($507,519)	$13,206,493	$1,828,241	10.5			$182,592		$223,427	($40,835)
Cutler 6												
311	$412,315	-1.8%	($7,253)	$390,736	$28,832	10.5	0.0041	9.7	$2,972	0.72%	$4,346	($1,374)
312	$17,878,953	-11.0%	($1,966,685)	$9,717,420	$10,128,218	10.5	0.0075	10.2	$992,963	5.55%	$994,427	($1,464)
314	$8,588,788	6.6%	$570,381	$8,178,602	($160,195)	10.5	0.0077	10.1	($15,861)	-0.18%	$40,738	($56,599)
315	$3,055,523	-12.0%	($366,663)	$3,115,214	$306,972	10.5	0.0078	10.1	$30,393	0.99%	$30,373	$20
316	$123,506	-4.0%	($4,940)	$70,178	$58,268	10.5	0.0083	9.7	$6,007	4.86%	$5,979	$28
	$30,059,085		($1,775,159)	$21,472,150	$10,362,094	10.5			$1,016,474		$1,075,863	($59,389)
Total Cutler	$54,298,626		($2,547,822)	$44,497,184	$12,349,264				$1,236,879		$1,355,675	($118,796)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Manatee Steam Plant												
Manatee Common												
311	$96,350,477	-1.8%	($1,694,805)	$66,182,177	$31,863,105	10.5	0.0041	10.2	$3,123,834	3.24%	$3,423,959	($300,125)
312	$2,032,783	-11.0%	($223,606)	$2,351,080	($94,691)	10.5	0.0075	0	$0	0.00%	$0	$0
314	$11,281,165	6.6%	$749,182	$7,381,751	$3,150,232	10.5	0.0077	9.9	$318,205	2.82%	$395,105	($76,900)
315	$9,282,558	-12.0%	($1,113,907)	$7,480,218	$2,916,247	10.5	0.0078	9.6	$303,776	3.27%	$302,558	$1,218
316	$2,505,571	-4.0%	($100,223)	$2,163,270	$442,524	10.5	0.0083	10.3	$42,963	1.71%	$43,085	($122)
Total	$121,452,554		($2,383,359)	$85,558,496	$38,277,417	10.5			$3,788,778		$4,164,707	($375,929)
Manatee Unit 1												
311	$7,311,443	-1.8%	($128,608)	$6,056,272	$1,383,779	10.5	0.0041	10.1	$137,008	1.87%	$160,093	($23,085)
312	$125,082,972	-11.0%	($13,759,127)	$88,747,199	$50,094,900	10.5	0.0075	10	$5,009,490	4.00%	$4,986,604	$22,886

	314	$64,713,219	6.6%	$4,297,605	$43,658,860	$16,756,754	10.5	0.0077	9.9	$1,692,601	2.62%	$2,118,431	($425,830)
	315	$10,668,482	-12.0%	($1,280,218)	$8,484,911	$3,463,789	10.5	0.0078	10.3	$336,290	3.15%	$335,111	$1,179
	316	$3,065,530	-4.0%	($122,621)	$2,300,726	$887,425	10.5	0.0083	9.4	$94,407	3.08%	$94,561	($154)
Total		$210,841,646		($10,992,969)	$149,247,968	$72,586,647	10.5			$7,269,796		$7,694,800	($425,004)
Manatee Unit 2													
	311	$5,286,225	-1.8%	($92,985)	$4,349,570	$1,029,640	10.5	0.0041	10.1	$101,945	1.93%	$118,563	($16,618)
	312	$116,916,975	-11.0%	($12,860,867)	$65,449,562	$64,328,280	10.5	0.0075	9.9	$6,497,806	5.56%	$6,504,955	($7,149)
	314	$61,991,571	6.6%	$4,116,860	$47,866,381	$10,008,330	10.5	0.0077	10	$1,000,833	1.61%	$1,411,121	($410,288)
	315	$7,832,693	-12.0%	($939,923)	$6,159,150	$2,613,466	10.5	0.0078	10.4	$251,295	3.21%	$252,241	($946)
	316	$2,217,093	-4.0%	($88,684)	$1,713,083	$592,694	10.5	0.0083	9.5	$62,389	2.81%	$62,330	$59
Total		$194,244,557		($9,865,599)	$125,537,746	$78,572,410	10.5			$7,914,267		$8,349,210	($434,943)
Total Manat		$526,538,757		($23,241,927)	$360,344,210	$189,436,474				$18,972,842		$20,208,717	($1,235,875)

		Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Martin Steam Plant													
	311	$236,118,421	-1.8%	($4,153,323)	$199,736,765	$40,534,979	10.5	0.0041	10.1	$4,013,364	1.70%	$4,748,635	($735,271)
	312	$4,159,551	-11.0%	($457,551)	$3,968,319	$648,783	10.5	0.0075	10.1	$64,236	1.54%	$63,988	$248
	314	$26,277,902	6.6%	$1,745,115	$20,072,953	$4,459,834	10.5	0.0077	9.9	$450,488	1.71%	$627,676	($177,188)
	315	$7,648,705	-12.0%	($917,845)	$6,646,272	$1,920,278	10.5	0.0078	10	$192,028	2.51%	$191,355	$673
	316	$2,788,671	-4.0%	($111,547)	$2,658,816	$241,402	10.5	0.0083	10.3	$23,437	0.84%	$23,544	($107)
Total		$276,993,250		($3,895,150)	$233,083,125	$47,805,275	10.5			$4,743,553		$5,655,198	($911,645)
Martin Pipeline													
	312	$370,940	-11.0%	($40,803)	$370,942	$40,801	10.5	0.0075	9.9	$4,121	1.11%	$4,121	$0
Total		$370,940		($40,803)	$370,942	$40,801	10.5			$4,121		$4,121	$0
Martin Unit 1													
	311	$15,381,834	-1.8%	($270,566)	$14,323,981	$1,328,419	10.5	0.0041	10.1	$131,527	0.86%	$180,122	($48,595)
	312	$138,526,135	-11.0%	($15,237,875)	$117,549,375	$36,214,635	10.5	0.0075	9.6	$3,772,358	2.72%	$3,769,275	$3,083
	314	$76,392,977	6.6%	$5,073,258	$58,217,327	$13,102,392	10.5	0.0077	9.8	$1,336,979	1.75%	$1,849,645	($512,666)
	315	$20,097,362	-12.0%	($2,411,683)	$18,525,818	$3,983,227	10.5	0.0078	10.1	$394,379	1.96%	$393,089	$1,290
	316	$2,580,596	-4.0%	($103,224)	$2,316,994	$366,826	10.5	0.0083	9.8	$37,431	1.45%	$37,251	$180
Total		$252,978,904		($12,950,091)	$210,933,495	$54,995,500	10.6			$5,672,673		$6,229,382	($556,709)
Martin Unit 2													
	311	$11,123,219	-1.8%	($195,657)	$10,371,694	$947,182	10.5	0.0041	10.2	$92,861	0.83%	$128,802	($35,941)
	312	$143,922,027	-11.0%	($15,831,423)	$110,427,775	$49,325,675	10.5	0.0075	9.7	$5,085,121	3.53%	$5,088,444	($3,323)
	314	$62,777,097	6.6%	$4,169,027	$43,619,337	$14,988,733	10.5	0.0077	9.8	$1,529,463	2.44%	$1,954,223	($424,760)
	315	$17,891,013	-12.0%	($2,146,922)	$14,174,047	$5,863,888	10.5	0.0078	10.2	$574,891	3.21%	$572,538	$2,353
	316	$2,200,607	-4.0%	($88,024)	$1,984,288	$304,343	10.5	0.0083	9.7	$31,376	1.43%	$31,261	$115
Total		$237,913,963		($14,092,999)	$180,577,141	$71,429,821	10.5			$7,313,711		$7,775,268	($461,557)
Total Martin		$768,257,057		($30,979,043)	$624,964,703	$174,271,397				$17,734,059		$19,663,969	($1,929,910)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Pt. Everglades Steam Plant												
Pt. Everglades Common												
311	$24,463,219	-1.8%	($430,308)	$19,474,779	$5,418,748	10.5	0.0041	10.4	$521,033	2.13%	$598,639	($77,606)
312	$2,831,767	-11.0%	($311,494)	$1,063,962	$2,079,299	10.5	0.0075	10.1	$205,871	7.27%	$206,004	($133)
314	$4,830,537	6.6%	$320,796	$2,708,107	$1,801,634	10.5	0.0077	10	$180,163	3.73%	$212,056	($31,893)
315	$6,006,107	-12.0%	($720,733)	$4,948,543	$1,778,297	10.5	0.0078	10.3	$172,650	2.87%	$172,131	$519
316	$2,005,034	-4.0%	($80,201)	$1,561,640	$523,595	10.5	0.0083	10.1	$51,841	2.59%	$51,932	($91)
Total	$40,136,664		($1,221,941)	$29,757,031	$11,601,574	10.5			$1,131,559		$1,240,762	($109,203)
Pt. Everglades Unit 1												
311	$1,840,592	-1.8%	($32,376)	$1,413,369	$459,599	10.5	0.0041	9.9	$46,424	2.52%	$52,289	($5,865)
312	$34,942,212	-11.0%	($3,843,643)	$30,785,069	$8,000,786	10.5	0.0075	10.3	$776,775	2.22%	$777,851	($1,076)
314	$17,391,669	6.6%	$1,154,981	$13,273,559	$2,963,129	10.5	0.0077	10.1	$293,379	1.69%	$409,242	($115,863)
315	$7,962,611	-12.0%	($955,513)	$3,317,503	$5,600,621	10.5	0.0078	10.4	$538,521	6.76%	$540,353	($1,832)
316	$503,103	-4.0%	($20,124)	$155,795	$367,432	10.5	0.0083	9.4	$39,089	7.77%	$39,100	($11)
Total	$62,640,187		($3,696,676)	$48,945,295	$17,391,568	10.5			$1,694,188		$1,818,835	($124,647)
Pt. Everglades Unit 2												
311	$1,732,046	-1.8%	($30,467)	$1,073,033	$689,480	10.5	0.0041	10.1	$68,265	3.94%	$74,053	($5,788)
312	$39,657,434	-11.0%	($4,362,318)	$33,026,508	$10,993,244	10.5	0.0075	10.3	$1,067,305	2.69%	$1,069,561	($2,256)
314	$17,170,811	6.6%	$1,140,314	$9,730,189	$6,300,308	10.5	0.0077	9.8	$642,889	3.74%	$760,450	($117,561)
315	$9,508,129	-12.0%	($1,140,975)	$5,518,068	$5,131,036	10.5	0.0078	10.4	$493,369	5.19%	$495,192	($1,823)
316	$549,842	-4.0%	($21,994)	$191,522	$380,314	10.5	0.0083	9.6	$39,616	7.20%	$39,438	$178
Total	$68,618,262		($4,415,440)	$49,539,320	$23,494,382	10.5			$2,311,444		$2,438,694	($127,250)
Pt. Everglades Unit 3												
311	$5,811,192	-1.8%	($102,219)	$799,291	$5,114,120	10.5	0.0041	10.4	$491,742	8.46%	$511,057	($19,315)
312	$78,802,927	-11.0%	($8,668,322)	$44,970,182	$42,501,067	10.5	0.0075	10.1	$4,208,026	5.34%	$4,211,675	($3,649)
314	$25,278,630	6.6%	$1,678,754	$10,888,684	$12,711,192	10.5	0.0077	9.8	$1,297,060	5.13%	$1,461,444	($164,384)
315	$13,169,884	-12.0%	($1,580,386)	$7,492,120	$7,258,150	10.5	0.0078	10.2	$711,583	5.40%	$709,219	$2,364
316	$402,449	-4.0%	($16,098)	$225,808	$192,739	10.5	0.0083	10.2	$18,896	4.70%	$18,818	$78
Total	$123,465,082		($8,688,271)	$64,376,085	$67,777,268	10.5			$6,727,308		$6,912,213	($184,905)
Pt. Everglades Unit 4												
311	$787,556	-1.8%	($13,853)	$568,650	$232,759	10.5	0.0041	10.4	$22,381	2.84%	$24,880	($2,499)
312	$97,124,127	-11.0%	($10,683,654)	$55,145,849	$52,661,932	10.5	0.0075	10.1	$5,214,053	5.37%	$5,213,411	$642
314	$23,073,436	6.6%	$1,532,307	$11,544,450	$9,996,679	10.5	0.0077	9.8	$1,020,069	4.42%	$1,174,273	($154,204)
315	$15,289,269	-12.0%	($1,834,712)	$8,876,213	$8,247,768	10.5	0.0078	10.2	$808,605	5.29%	$805,051	$3,554
316	$172,080	-4.0%	($6,883)	$145,870	$33,093	10.5	0.0083	10.3	$3,213	1.87%	$3,223	($10)
Total	$136,446,468		($11,006,796)	$76,281,032	$71,172,232	10.5			$7,068,320		$7,220,838	($152,518)
Total Pt. Ev	$431,306,663		($29,029,123)	$268,898,763	$191,437,023				$18,932,821		$19,631,342	($698,521)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Sanford Steam Plant												
Sanford Unit 3												
311	$4,701,046	-1.8%	($82,691)	$3,657,094	$1,126,643	10.5	0.0041	10.4	$108,331	2.30%	$123,202	($14,871)
312	$10,679,201	-11.0%	($1,174,712)	$10,049,469	$1,804,444	10.5	0.0075	10.2	$176,906	1.66%	$176,144	$762
314	$13,119,005	6.6%	$871,233	$4,491,872	$7,755,900	10.5	0.0077	9.5	$816,411	6.22%	$909,191	($92,780)
315	$4,585,245	-12.0%	($550,229)	$1,729,645	$3,405,829	10.5	0.0078	10.2	$333,905	7.28%	$334,704	($799)
316	$399,034	-4.0%	($15,961)	$354,395	$60,600	10.5	0.0083	10.3	$5,884	1.47%	$5,883	$1
Total	$33,483,531		($952,361)	$20,282,475	$14,153,417	10.5			$1,441,436		$1,549,124	($107,688)
Total Sanfo	$33,483,531		($952,361)	$20,282,475	$14,153,417				$1,441,436		$1,549,124	($107,688)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Scherer Steam Plant												
Scherer Coal Cars												
312	$34,174,990	-11.0%	($3,759,249)	$32,938,994	$4,995,245	19.5	0.0075	18.3	$272,964	0.80%	$272,689	$275
Total	$34,174,990		($3,759,249)	$32,938,994	$4,995,245	19.5			$272,964		$272,689	$275
Scherer Common												
311	$38,262,666	-1.8%	($673,040)	$25,274,737	$13,660,969	19.5	0.0041	18.7	$730,533	1.91%	$798,633	($68,100)
312	$21,879,850	-11.0%	($2,406,784)	$14,155,294	$10,131,340	19.5	0.0075	17.4	$582,261	2.66%	$581,938	$323
314	$4,044,832	6.6%	$268,617	$3,203,638	$572,577	19.5	0.0077	17	$33,681	0.83%	$49,567	($15,886)
315	$1,235,563	-12.0%	($148,268)	$993,051	$390,780	19.5	0.0078	18	$21,710	1.76%	$21,736	($26)
316	$3,160,922	-4.0%	($126,437)	$2,367,100	$920,259	19.5	0.0083	17.4	$52,888	1.67%	$52,764	$124
Total	$68,583,833		($3,085,911)	$45,993,820	$25,675,924	19.5			$1,421,073		$1,504,638	($83,565)
Scherer Common Unit 3 & 4												
311	$2,955,496	-1.8%	($51,987)	$2,518,453	$489,030	19.5	0.0041	18.6	$26,292	0.89%	$31,392	($5,100)
312	$17,081,036	-11.0%	($1,878,914)	$11,531,752	$7,428,198	19.5	0.0075	17.4	$426,908	2.50%	$426,951	($43)
314	$335,873	6.6%	$22,305	$285,101	$28,467	19.5	0.0077	17	$1,675	0.50%	$2,980	($1,305)
315	$292,934	-12.0%	($35,152)	$212,548	$115,538	19.5	0.0078	18.1	$6,383	2.18%	$6,369	$14
Total	$20,665,339		($1,943,748)	$14,547,854	$8,061,233	19.5			$461,258	2.23%	$467,692	($6,434)
Scherer Unit 4												
311	$64,076,617	-1.8%	($1,127,108)	$38,754,282	$26,449,443	19.5	0.0041	18.6	$1,422,013	2.22%	$1,535,168	($113,155)
312	$276,755,766	-11.0%	($30,443,134)	$172,000,115	$135,198,785	19.5	0.0075	17.3	$7,814,959	2.82%	$7,818,631	($3,672)
314	$116,669,482	6.6%	$7,748,020	$67,876,049	$41,045,413	19.5	0.0077	16.9	$2,428,723	2.08%	$2,884,899	($456,176)
315	$22,875,511	-12.0%	($2,745,061)	$15,693,441	$9,927,131	19.5	0.0078	18	$551,507	2.41%	$551,748	($241)
316	$4,337,834	-4.0%	($173,513)	$2,879,628	$1,631,719	19.5	0	17.9	$91,158	2.10%	$90,985	$173
Total	$484,715,210		($26,740,796)	$297,203,515	$214,252,491	19.5			$12,308,359		$12,881,431	($573,072)
Total Scher	$608,139,372		($35,529,704)	$390,684,183	$252,984,893				$14,463,654		$15,126,450	($662,796)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
SJRPP Steam Plant												
SJRPP Coal & Limestone												
311	$3,835,845	-1.8%	($67,473)	$2,348,432	$1,554,886	18.5	0.0041	17.4	$89,361	2.33%	$96,407	($7,046)
312	$31,307,987	-11.0%	($3,443,879)	$20,733,572	$14,018,294	18.5	0.0075	15.8	$887,234	2.83%	$884,944	$2,290
315	$3,776,787	-12.0%	($453,214)	$2,942,226	$1,287,775	18.5	0.0078	16.6	$77,577	2.05%	$77,460	$117
316	$306,801	-4.0%	($12,272)	$248,280	$70,793	18.5	0.0083	15.5	$4,567	1.49%	$4,554	$13
Total	$39,227,420		($3,976,838)	$26,272,510	$16,931,748	18.5			$1,058,739		$1,063,365	($4,626)
SJRPP Coal Cars												
312	$2,725,310	-11.0%	($299,784)	$2,672,650	$352,444	18.5	0.0075	17.7	$19,912	0.73%	$19,878	$34
Total	$2,725,310		($299,784)	$2,672,650	$352,444	18.5			$19,912		$19,878	$34
SJRPP Common												
311	$43,483,249	-1.8%	($764,870)	$22,008,384	$22,239,735	18.5	0.0041	17.8	$1,249,423	2.87%	$1,329,160	($79,737)
312	$4,841,873	-11.0%	($532,606)	$2,114,111	$3,260,368	18.5	0.0075	16.8	$194,070	4.01%	$194,405	($335)
314	$3,464,477	6.6%	$230,076	$1,649,923	$1,584,478	18.5	0.0077	16.3	$97,207	2.81%	$111,178	($13,971)
315	$7,914,407	-12.0%	($949,729)	$4,659,423	$4,204,713	18.5	0.0078	17.3	$243,047	3.07%	$243,016	$31
316	$2,173,083	-4.0%	($86,923)	$1,463,580	$796,426	18.5	0.0083	17.5	$45,510	2.09%	$45,479	$31
Total	$61,877,089		($2,104,053)	$31,895,421	$32,085,721	18.5			$1,829,257		$1,923,238	($93,981)
SJRPP Gypsum & Ash												
311	$2,079,386	-1.8%	($36,576)	$1,437,419	$678,543	18.5	0.0041	17.4	$38,997	1.88%	$42,912	($3,915)
312	$17,574,970	-11.0%	($1,933,247)	$14,372,745	$5,135,472	18.5	0.0075	16	$320,967	1.83%	$321,134	($167)
315	$53,709	-12.0%	($6,445)	$32,364	$27,790	18.5	0.0078	17.1	$1,625	3.03%	$1,625	$0
316	$112,764	-4.0%	($4,511)	$81,078	$36,197	18.5	0.0083	15.5	$2,335	2.07%	$2,333	$2
Total	$19,820,829		($1,980,779)	$15,923,606	$5,878,002	18.5			$363,924		$368,004	($4,080)
SJRPP Unit 1												
311	$12,636,281	-1.8%	($222,272)	$6,330,456	$6,528,097	18.5	0.0041	17.7	$368,819	2.92%	$390,867	($22,048)
312	$100,097,129	-11.0%	($11,010,684)	$49,273,277	$61,834,536	18.5	0.0075	16.6	$3,724,972	3.72%	$3,721,876	$3,096
314	$35,745,341	6.6%	$2,373,848	$15,820,181	$17,551,312	18.5	0.0077	16.4	$1,070,202	2.99%	$1,213,181	($142,979)
315	$15,979,993	-12.0%	($1,917,599)	$9,748,498	$8,149,094	18.5	0.0078	17.4	$468,339	2.93%	$468,881	($542)
316	$2,799,432	-4.0%	($111,977)	$1,525,561	$1,385,848	18.5	0.0083	16.8	$82,491	2.95%	$82,574	($83)
Total	$167,258,176		($10,888,685)	$82,697,973	$95,448,888	18.5			$5,714,823		$5,877,379	($162,556)
SJRPP Unit 2												
311	$7,487,417	-1.8%	($131,704)	$4,920,104	$2,699,017	18.5	0.0041	17.4	$155,116	2.07%	$169,117	($14,001)
312	$65,614,711	-11.0%	($7,217,618)	$42,156,598	$30,675,731	18.5	0.0075	15.9	$1,929,291	2.94%	$1,924,591	$4,700
314	$24,131,830	6.6%	$1,602,595	$14,806,356	$7,722,879	18.5	0.0077	16.1	$479,682	1.99%	$579,661	($99,979)
315	$9,798,705	-12.0%	($1,175,845)	$7,694,036	$3,280,514	18.5	0.0078	16.6	$197,621	2.02%	$197,046	$575
316	$1,622,572	-4.0%	($64,903)	$1,132,958	$554,517	18.5	0.0083	15.9	$34,875	2.15%	$34,823	$52
Total	$108,655,235		($6,987,475)	$70,710,052	$44,932,658	18.5			$2,796,586		$2,905,238	($108,652)

OPC01993

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Total SJRPI	$399,564,059		($26,237,612)	$230,172,212	$195,629,459				$11,783,241		$12,157,102	($373,861)
Turkey Point Steam Plant												
Turkey Point Common												
311	$9,974,936	-1.8%	($175,459)	$8,508,390	$1,642,005	10.5	0.0041	10.4	$157,885	1.58%	$188,940	($31,055)
312	$2,839,101	-11.0%	($312,301)	$1,662,708	$1,488,694	10.5	0.0075	10.2	$145,950	5.14%	$145,609	$341
314	$1,590,774	6.6%	$105,643	$1,113,631	$371,500	10.5	0.0077	10.1	$36,782	2.31%	$47,399	($10,617)
315	$3,671,052	-12.0%	($440,526)	$3,146,875	$964,703	10.5	0.0078	10.3	$93,661	2.55%	$93,777	($116)
316	$1,189,610	-4.0%	($47,584)	$932,326	$304,868	10.5	0.0083	10.3	$29,599	2.49%	$29,629	($30)
Total	$19,265,473		($870,228)	$15,363,930	$4,771,771	10.5			$463,877		$505,354	($41,477)
Turkey Point Unit 1												
311	$2,269,026	-1.8%	($39,912)	$1,657,463	$651,475	10.5	0.0041	10.3	$63,250	2.79%	$70,186	($6,936)
312	$71,130,814	-11.0%	($7,824,390)	$46,737,167	$32,218,037	10.5	0.0075	10.1	$3,189,905	4.48%	$3,175,700	$14,205
314	$25,082,846	6.6%	$1,665,752	$15,434,221	$7,982,873	10.5	0.0077	10	$798,287	3.18%	$964,711	($166,424)
315	$5,105,015	-12.0%	($612,602)	$2,992,130	$2,725,487	10.5	0.0078	10.1	$269,850	5.29%	$270,562	($712)
316	$729,112	-4.0%	($29,164)	$484,001	$274,275	10.5	0.0083	10.3	$26,629	3.65%	$26,751	($122)
Total	$104,316,813		($6,840,316)	$67,304,982	$43,852,147	10.5			$4,347,921		$4,507,910	($159,989)
Turkey Point Unit 2												
311	$2,585,697	-1.8%	($45,482)	$1,848,067	$783,112	10.5	0.0041	10.4	$75,299	2.91%	$83,509	($8,210)
312	$54,758,844	-11.0%	($6,023,473)	$32,817,674	$27,964,643	10.5	0.0075	10.2	$2,741,632	5.01%	$2,736,884	$4,748
314	$25,717,422	6.6%	$1,707,894	$12,610,713	$11,398,815	10.5	0.0077	10	$1,139,882	4.43%	$1,315,564	($175,682)
315	$8,029,283	-12.0%	($963,514)	$2,586,297	$6,406,500	10.5	0.0078	10.2	$628,088	7.82%	$625,087	$3,001
316	$401,764	-4.0%	($16,071)	$328,312	$89,523	10.5	0.0083	9.5	$9,423	2.35%	$9,385	$38
Total	$91,493,010		($5,340,646)	$50,191,063	$46,642,593	10.5			$4,594,324		$4,770,429	($176,105)
Total Turke	$215,075,296		($13,051,190)	$132,859,975	$95,266,511				$9,406,122		$9,783,693	($377,571)
Steam	$3,036,663,361		($161,568,782)	$2,072,703,705	$1,125,528,438				$93,971,054		$99,476,072	($5,505,018)

NUCLEAR

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Nuclear Production Plant												
St. Lucie Nuclear Plant												
321	$343,585,840	0.0%	$0	$188,941,755	$154,644,085	30.5	0.0017	29.71	$5,205,119	1.51%	$7,397,355	($2,192,236)
322	$78,860,497	-1.7%	($1,347,253)	$27,134,974	$53,072,776	30.5	0.0044	28.45	$1,865,475	2.37%	$2,030,488	($165,013)
323	$673,278	0.0%	$0	$3,128,795	($2,455,517)	30.5	0.0088	26.41	($92,977)	-13.81%	$0	($92,977)
324	$31,186,353	-1.8%	($561,853)	$20,419,506	$11,328,700	30.5	0.0011	29.99	$377,749	1.21%	$684,826	($307,077)
325	$23,912,279	0.0%	$0	$13,085,814	$10,826,465	30.5	0.0027	29.24	$370,262	1.55%	$400,714	($30,452)
Total	$478,218,247		($1,909,106)	$252,710,844	$227,416,509				$7,725,629		$10,513,383	($2,787,754)
St. Lucie Unit 1												
321	$162,204,629	0.0%	$0	$95,748,242	$66,456,387	30.5	0.0017	29.71	$2,236,836	1.38%	$3,968,425	($1,731,589)
322	$484,411,228	-1.7%	($8,275,681)	$218,892,777	$273,794,132	30.5	0.0044	28.45	$9,623,695	1.99%	$12,486,836	($2,863,141)
323	$60,630,329	0.0%	$0	$46,868,841	$13,761,488	30.5	0.0088	26.41	$521,071	0.86%	$657,344	($136,273)
324	$78,893,831	-1.8%	($1,421,351)	$50,499,654	$29,815,528	30.5	0.0011	29.99	$994,182	1.26%	$2,137,453	($1,143,271)
325	$10,597,550	0.0%	$0	$8,460,696	$2,136,854	30.5	0.0027	29.24	$73,080	0.69%	$94,042	($20,962)
Total	$796,737,567		($9,697,033)	$420,470,210	$385,964,390				$13,448,864		$19,344,100	($5,895,236)
St. Lucie Nuclear Plant												
321	$252,865,619	0.0%	$0	$162,270,170	$90,595,449	30.5	0.0017	29.71	$3,049,325	1.21%	$5,094,733	($2,045,408)
322	$701,058,570	-1.7%	($11,976,885)	$286,627,567	$426,407,888	30.5	0.0044	28.45	$14,987,975	2.14%	$17,212,635	($2,224,660)
323	$81,377,496	0.0%	$0	$57,593,310	$23,784,186	30.5	0.0088	26.41	$900,575	1.11%	$1,276,398	($375,823)
324	$160,196,421	-1.8%	($2,886,099)	$99,173,648	$63,908,872	30.5	0.0011	29.99	$2,131,006	1.33%	$4,149,839	($2,018,833)
325	$20,747,433	0.0%	$0	$14,209,133	$6,538,300	30.5	0.0027	29.24	$223,608	1.08%	$244,194	($20,586)
Total	$1,216,245,539		($14,862,983)	$619,873,828	$611,234,694				$21,292,489		$27,977,799	($6,685,310)
Total St. Lu	$2,491,201,353		($26,469,122)	$1,293,054,882	$1,224,615,593				$42,466,982		$57,835,282	($15,368,300)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Turkey Point Nuclear Plant												
Turkey Point Common												
321	$280,753,503	0.0%	$0	$150,713,277	$130,040,226	23.5	0.0017	23.03	$5,646,558	2.01%	$6,337,601	($691,043)
322	$53,315,074	-1.7%	($910,835)	$29,938,630	$24,287,279	23.5	0.0044	22.29	$1,089,604	2.04%	$1,194,585	($104,981)
323	$21,037,774	0.0%	$0	$4,547,145	$16,490,629	23.5	0.0088	21.07	$782,659	3.72%	$809,137	($26,478)
324	$48,095,983	-1.8%	($866,497)	$29,249,282	$19,713,198	23.5	0.0011	23.2	$849,707	1.77%	$1,301,200	($451,493)
325	$27,575,932	0.0%	$0	$14,222,976	$13,352,956	23.5	0.0027	22.75	$586,943	2.13%	$600,175	($13,232)
Total	$430,778,266		($1,777,332)	$228,671,310	$203,884,288				$8,955,471		$10,242,698	($1,287,227)
Turkey Point Unit 3												
321	$51,568,621	0.0%	$0	$26,021,875	$25,546,746	23.5	0.0017	23.03	$1,109,281	2.15%	$1,376,031	($266,750)
322	$272,369,788	-1.7%	($4,653,165)	$148,765,102	$128,257,851	23.5	0.0044	22.29	$5,457,781	2.00%	$6,538,674	($1,080,893)

323	$41,927,456	0.0%	$0	$27,910,607	$14,016,849	23.5	0.0088	21.07	$596,462	1.42%	$848,191	($251,729)
324	$97,160,938	-1.8%	($1,750,451)	$69,116,708	$29,794,681	23.5	0.0011	23.2	$1,267,859	1.30%	$2,395,375	($1,127,516)
325	$2,722,122	0.0%	$0	$2,132,477	$589,645	23.5	0.0027	22.75	$25,091	0.92%	$28,495	($3,404)
Total	$465,748,925		($6,403,617)	$273,946,769	$198,205,773				$8,456,474		$11,186,766	($2,730,292)
Turkey Point Unit 4												
321	$83,711,978	0.0%	$0	$38,231,060	$45,480,918	23.5	0.0017	23.03	$1,974,855	2.36%	$2,250,520	($275,665)
322	$272,718,161	-1.7%	($4,659,117)	$143,701,832	$133,675,446	23.5	0.0044	22.29	$5,997,104	2.20%	$6,555,177	($558,073)
323	$76,858,753	0.0%	$0	$46,357,990	$30,500,763	23.5	0.0088	21.07	$1,447,592	1.88%	$1,718,411	($270,819)
324	$145,562,903	-1.8%	($2,622,461)	$94,298,628	$53,886,736	23.5	0.0011	23.2	$2,322,704	1.60%	$3,823,960	($1,501,256)
325	$3,912,597	0.0%	$0	$2,915,692	$996,905	23.5	0.0027	22.75	$43,820	1.12%	$45,731	($1,911)
Total	$582,764,392		($7,281,578)	$325,505,202	$264,540,768				$11,786,075		$14,393,799	($2,607,724)
Total Turke	$1,479,291,583		($15,462,527)	$828,123,281	$666,630,829				$29,198,020		$35,823,263	($6,625,243)
Nuclear	$3,970,482,936		($41,931,649)	$2,121,178,163	$1,891,246,422				$71,665,003		$93,658,545	($21,993,542)

OTHER PRODUCTION CC

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Launderdale Combined Cycle Plant												
Launderdale Common												
341	$74,718,137	0.0%	$0	$50,852,187	$23,865,950	10.5	0.0005	10.47	$2,279,460	3.05%	$3,889,663	($1,610,203)
342	$9,414,115	0.0%	$0	$5,588,631	$3,825,484	10.5	0.0045	10.25	$373,218	3.96%	$533,025	($159,807)
343	$35,523,207	0.0%	$2,374,256	$4,724,080	$28,424,871	10.5	0.0015	10.42	$2,727,915	7.68%	$3,265,779	($537,864)
344	$1,646,834	0.0%	$0	$916,636	$730,198	10.5	0.0002	10.49	$69,609	4.23%	$146,478	($76,869)
345	$12,033,813	0.0%	$0	$7,746,021	$4,287,792	10.5	0.0001	10.49	$408,750	3.40%	$505,979	($97,229)
346	$930,984	0.0%	$0	$571,382	$359,602	10.5	0.001	10.44	$34,445	3.70%	$44,307	($9,862)
Total	$134,267,090		$2,374,256	$70,398,937	$61,493,897	10.5			$5,893,397		$8,385,231	($2,491,834)
Launderdale Unit 4												
341	$4,790,462	0.0%	$0	$4,026,215	$764,247	10.5	0.0005	10.47	$72,994	1.52%	$159,912	($86,918)
342	$665,939	0.0%	$0	$399,889	$266,050	10.5	0.0045	10.25	$25,956	3.90%	$33,408	($7,452)
343	$144,270,473	0.0%	$3,131,595	$83,930,531	$57,208,347	10.5	0.0015	10.42	$5,490,244	3.81%	$5,996,444	($506,200)
344	$27,385,918	0.0%	$0	$15,841,475	$11,544,443	10.5	0.0002	10.49	$1,100,519	4.02%	$1,453,117	($352,598)
345	$27,691,585	0.0%	$0	$18,566,718	$9,124,867	10.5	0.0001	10.49	$869,863	3.14%	$1,074,731	($204,868)
346	$2,602,044	0.0%	$0	$1,902,133	$699,911	10.5	0.001	10.44	$67,041	2.58%	$93,627	($26,586)
Total	$207,406,421		$3,131,595	$124,666,961	$79,607,865	10.5			$7,626,618		$8,811,239	($1,184,621)
					($710,464)							
Launderdale Unit 5												
341	$2,978,287	0.0%	$0	$2,163,032	$815,255	10.5	0.0005	10.47	$77,866	2.61%	$140,468	($62,602)
342	$665,779	0.0%	$0	$388,555	$277,224	10.5	0.0045	10.25	$27,046	4.06%	$34,488	($7,442)
343	$129,534,725	0.0%	$2,199,754	$72,370,213	$54,964,758	10.5	0.0015	10.42	$5,274,929	4.07%	$5,810,106	($535,177)
344	$29,242,014	0.0%	$0	$16,922,352	$12,319,662	10.5	0.0002	10.49	$1,174,420	4.02%	$1,544,312	($369,892)
345	$22,925,535	0.0%	$0	$15,692,247	$7,233,288	10.5	0.0001	10.49	$689,541	3.01%	$857,118	($167,577)
346	$1,767,721	0.0%	$0	$1,240,205	$527,516	10.5	0.001	10.44	$50,528	2.86%	$73,835	($23,307)
Total	$187,114,061		$2,199,754	$108,776,604	$76,137,703	10.5			$7,294,330		$8,460,327	($1,165,997)
Total Laude	$528,787,572		$7,705,605	$303,842,502	$217,239,465				$20,814,345		$25,656,797	($4,842,452)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Ft. Myers Cycle Plant												
Ft. Myers Common												
341	$6,239,915	0.0%	$0	$3,876,401	$2,363,514	18.5	0.0005	18.41	$128,382	2.06%	$1,200,043	($1,071,661)
342	$791,798	0.0%	$0	$701,717	$90,081	18.5	0.0045	17.73	$5,081	0.64%	$8,726	($3,645)
343	$65,228,776	0.0%	$4,194,018	$8,568,229	$52,466,529	18.5	0.0015	18.24	$2,876,454	4.41%	$3,909,033	($1,032,579)
344	$8,965	0.0%	$0	($983)	$9,948	18.5	0.0002	18.47	$539	6.01%	$1,315	($776)
345	$129,090	0.0%	$0	($93,693)	$222,783	18.5	0.0001	18.48	$12,055	9.34%	$134,114	($122,059)
346	$549,339	0.0%	$0	$464,100	$85,239	18.5	0.001	18.33	$4,650	0.85%	$5,777	($1,127)

Total	$72,947,883		$4,194,018	$13,515,771	$55,238,094	18.5			$3,027,161		$5,259,008	($2,231,847)
Ft. Myers Unit 2												
341	$24,646,981	0.0%	$0	$9,294,651	$15,352,330	18.5	0.0005	18.41	$833,913	3.38%	$1,162,475	($328,562)
342	$6,389,579	0.0%	$0	$1,882,844	$4,506,735	18.5	0.0045	17.73	$254,187	3.98%	$362,062	($107,875)
343	$372,701,340	0.0%	$6,834,878	$80,959,040	$284,907,422	18.5	0.0015	18.24	$15,619,924	4.19%	$17,699,535	($2,079,611)
344	$40,107,032	0.0%	$0	$11,698,164	$28,408,868	18.5	0.0002	18.47	$1,538,109	3.84%	$2,172,385	($634,276)
345	$51,228,656	0.0%	$0	$18,844,162	$32,384,494	18.5	0.0001	18.48	$1,752,408	3.42%	$2,031,929	($279,521)
346	$3,111,202	0.0%	$0	$875,951	$2,235,251	18.5	0.001	18.33	$121,945	3.92%	$166,767	($44,822)
Total	$498,184,790		$6,834,878	$123,554,812	$367,795,100	18.5			$20,120,485		$23,595,153	($3,474,668)
Ft. Myers Unit 3												
341	$2,971,874	0.0%	$0	$451,954	$2,519,920	18.5	0.0005	18.41	$136,878	4.61%	$166,583	($29,705)
342	$3,896,617	0.0%	$0	$753,381	$3,143,236	18.5	0.0045	17.73	$177,283	4.55%	$220,051	($42,768)
343	$74,167,566	0.0%	$3,444,261	$4,907,365	$65,815,940	18.5	0.0015	18.24	$3,608,330	4.87%	$4,571,043	($962,713)
344	$13,759,002	0.0%	$0	$1,935,596	$11,823,406	18.5	0.0002	18.47	$640,141	4.65%	$731,641	($91,500)
345	$9,683,556	0.0%	$0	$1,821,193	$7,862,363	18.5	0.0001	18.48	$425,453	4.39%	$469,436	($43,983)
346	$481,988	0.0%	$0	$72,428	$409,560	18.5	0.001	18.33	$22,344	4.64%	$27,031	($4,687)
Total	$104,960,603		$3,444,261	$9,941,917	$91,574,425	18.5			$5,010,429		$6,185,785	($1,175,356)
Total Ft. My	$676,093,276		$3,444,261	$147,012,500	$514,607,619				$28,158,075		$35,039,946	($6,881,871)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Manatee Combined Cycle Plant												
Manatee Unit 3												
341	$29,469,798	0.0%	$0	$6,281,544	$23,188,254	20.5	0.0005	20.39	$1,137,237	3.86%	$1,392,070	($254,833)
342	$4,590,462	0.0%	$0	$1,947,711	$2,642,751	20.5	0.0045	19.55	$135,179	2.94%	$167,418	($32,239)
343	$322,367,885	0.0%	$6,516,367	$24,615,580	$291,235,938	20.5	0.0015	20.18	$14,431,910	4.48%	$16,827,424	($2,395,514)
344	$42,301,618	0.0%	$0	$5,849,399	$36,452,219	20.5	0.0002	20.46	$1,781,633	4.21%	$2,033,100	($251,467)
345	$45,805,658	0.0%	$0	$13,587,157	$32,218,501	20.5	0.0001	20.48	$1,573,169	3.43%	$1,734,115	($160,946)
346	$11,065,051	0.0%	$0	$4,334,772	$6,730,279	20.5	0.001	20.29	$331,704	3.00%	$396,832	($65,128)
Total	$455,600,472		$6,516,367	$56,616,163	$392,467,942	20.5			$19,390,832		$22,550,959	($3,160,127)
Total Ft. My	$455,600,472		$6,516,367	$56,616,163	$392,467,942				$19,390,832		$22,550,959	($3,160,127)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Martin Combined Cycle Plant												
Martin Common												
341	$42,702,563	0.0%	$0	$29,835,777	$12,866,786	10.5	0.0005	10.47	$1,228,919	2.88%	$2,017,356	($788,437)
342	$4,060,727	0.0%	$0	$2,525,715	$1,535,012	10.5	0.0045	10.25	$149,757	3.69%	$208,532	($58,775)
343	$19,947,437	0.0%	$406,335	$17,039,769	$2,501,333	10.5	0.0015	10.42	$240,051	1.20%	$326,989	($86,938)
345	$4,854,959	0.0%	$0	$3,221,098	$1,633,861	10.5	0.0001	10.49	$155,754	3.21%	$188,040	($32,286)

	346	$4,094,951	0.0%	$0	$3,513,934	$581,017	10.5	0.001	10.44	$55,653	1.36%	$71,146	($15,493)
Total		$75,660,637		$406,335	$56,136,293	$19,118,009	10.5			$1,830,135		$2,812,063	($981,928)
Martin Pipeline													
	342	$13,328,900	0.0%	$0	$13,292,886	$36,014	10.5	0.0045	10.25	$3,514	0.03%	$61,055	($57,541)
Total		$13,328,900		$0	$13,292,886	$36,014	10.5			$3,514		$61,055	($57,541)
Martin Unit 3													
	341	$1,605,301	0.0%	$0	$926,983	$678,318	10.5	0.0005	10.47	$64,787	4.04%	$96,821	($32,034)
	342	$170,896	0.0%	$0	$99,346	$71,550	10.5	0.0045	10.25	$6,980	4.08%	$10,150	($3,170)
	343	$166,838,305	0.0%	$2,460,896	$90,011,193	$74,366,216	10.5	0.0015	10.42	$7,136,873	4.28%	$7,865,847	($728,974)
	344	$20,771,119	0.0%	$0	$9,557,237	$11,213,882	10.5	0.0002	10.49	$1,069,007	5.15%	$1,326,415	($257,408)
	345	$25,965,635	0.0%	$0	$18,422,527	$7,543,108	10.5	0.0001	10.49	$719,076	2.77%	$878,551	($159,475)
	346	$544,629	0.0%	$0	$310,279	$234,350	10.5	0.001	10.44	$22,447	4.12%	$32,413	($9,966)
Total		$215,895,885		$2,460,896	$119,327,565	$94,107,424	10.5			$9,019,170		$10,210,197	($1,191,027)
Martin Unit 4													
	341	$1,275,326	0.0%	$0	$666,386	$608,940	10.5	0.0005	10.47	$58,160	4.56%	$86,609	($28,449)
	342	$170,507	0.0%	$0	$89,093	$81,414	10.5	0.0045	10.25	$7,943	4.66%	$11,477	($3,534)
	343	$179,942,423	0.0%	$2,738,489	$86,401,865	$90,802,069	10.5	0.0015	10.42	$8,714,210	4.84%	$9,458,517	($744,307)
	344	$29,820,193	0.0%	$0	$11,636,365	$18,183,828	10.5	0.0002	10.49	$1,733,444	5.81%	$2,092,123	($358,679)
	345	$24,224,816	0.0%	$0	$16,519,213	$7,705,603	10.5	0.0001	10.49	$734,567	3.03%	$885,665	($151,098)
	346	$487,415	0.0%	$0	$250,911	$236,504	10.5	0.001	10.44	$22,654	4.65%	$32,787	($10,133)
Total		$235,920,680		$2,738,489	$115,563,833	$117,618,358	10.5			$11,270,978		$12,567,178	($1,296,200)
Martin Unit 8													
	341	$23,380,329	0.0%	$0	$4,305,227	$19,075,102	20.5	0.0005	20.39	$935,513	4.00%	$1,159,586	($224,073)
	342	$11,051,816	0.0%	$0	$2,372,256	$8,679,560	20.5	0.0045	19.55	$443,967	4.02%	$568,548	($124,581)
	343	$328,996,497	0.0%	$6,708,182	$53,780,305	$268,508,010	20.5	0.0015	20.18	$13,305,650	4.04%	$15,442,602	($2,136,952)
	344	$40,363,598	0.0%	$0	$6,565,908	$33,797,690	20.5	0.0002	20.46	$1,651,891	4.09%	$1,912,307	($260,416)
	345	$52,690,040	0.0%	$0	$18,050,616	$34,639,424	20.5	0.0001	20.48	$1,691,378	3.21%	$1,900,662	($209,284)
	346	$4,345,319	0.0%	$0	$3,585,699	$759,620	20.5	0.001	20.29	$37,438	0.86%	$44,110	($6,672)
Total		$460,827,599		$6,708,182	$88,660,011	$365,459,406	20.5			$18,065,837		$21,027,815	($2,961,978)
Total Martin		$1,001,633,701		$6,708,182	$392,980,588	$596,339,211				$40,189,633		$46,678,308	($6,488,675)

		Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Putnam Combined Cycle Plant													
Putnam Common													
	341	$12,728,938	0.0%	$0	$9,449,327	$3,279,611	10.5	0.0005	10.47	$313,239	2.46%	$2,414,572	($2,101,333)
	342	$11,435,670	0.0%	$0	$8,470,029	$2,965,641	10.5	0.0045	10.25	$289,331	2.53%	$339,209	($49,878)
	343	$20,146,555	0.0%	$822,389	$11,834,606	$7,489,560	10.5	0.0015	10.42	$718,768	3.57%	$840,832	($122,064)
	344	$170,569	0.0%	$0	$47,851	$122,718	10.5	0.0002	10.49	$11,699	6.86%	$13,712	($2,013)
	345	$1,523,346	0.0%	$0	$1,111,862	$411,484	10.5	0.0001	10.49	$39,226	2.58%	$95,007	($55,781)
	346	$1,440,520	0.0%	$0	$981,618	$458,902	10.5	0.001	10.44	$43,956	3.05%	$102,062	($58,106)

	Balance 12/31/2009	Net Salvage %	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Total	$47,445,598		$822,389	$31,895,293	$14,727,816	10.5			$1,416,218		$3,805,394	($2,389,176)
Putnam Unit 1												
341	$38,546	0.0%	$0	$31,993	$6,553	10.5	0.0005	10.47	$626	1.62%	$6,832	($6,206)
342	$68,736	0.0%	$0	$56,084	$12,652	10.5	0.0045	10.25	$1,234	1.80%	$2,499	($1,265)
343	$61,302,516	0.0%	$2,164,621	$42,334,924	$16,802,971	10.5	0.0015	10.42	$1,612,569	2.63%	$1,859,389	($246,820)
344	$7,708,123	0.0%	$0	$5,576,593	$2,131,530	10.5	0.0002	10.49	$203,196	2.64%	$488,792	($285,596)
345	$7,159,774	0.0%	$0	$5,892,353	$1,267,421	10.5	0.0001	10.49	$120,822	1.69%	$237,861	($117,039)
346	$407,803	0.0%	$0	$332,744	$75,059	10.5	0.001	10.44	$7,190	1.76%	$31,836	($24,646)
Total	$76,685,498		$2,164,621	$54,224,691	$20,296,186	10.5			$1,945,637		$2,627,209	($681,572)
Putnam Unit 2												
341	$38,546	0.0%	$0	$27,826	$10,720	10.5	0.0005	10.47	$1,024	2.66%	$10,964	($9,940)
342	$68,672	0.0%	$0	$48,851	$19,821	10.5	0.0045	10.25	$1,934	2.82%	$4,935	($3,001)
343	$59,896,463	0.0%	$1,185,270	$39,499,582	$19,211,611	10.5	0.0015	10.42	$1,843,725	3.08%	$2,078,665	($234,940)
344	$7,979,237	0.0%	$0	$6,074,669	$1,904,568	10.5	0.0002	10.49	$181,560	2.28%	$368,010	($186,450)
345	$7,332,410	0.0%	$0	$5,184,098	$2,148,312	10.5	0.0001	10.49	$204,796	2.79%	$581,068	($376,272)
346	$392,093	0.0%	$0	$278,918	$113,175	10.5	0.001	10.44	$10,841	2.76%	$68,668	($57,827)
Total	$75,707,421		$1,185,270	$51,113,944	$23,408,207	10.5			$2,243,879		$3,112,310	($868,431)
Total Putnai	$199,838,517		$1,185,270	$137,233,928	$58,432,309				$5,605,735		$9,544,913	($3,939,178)
Sanford Combined Cycle Plant												
Sanford Common												
341	$60,722,293	0.0%	$0	$25,257,552	$35,464,741	18.5	0.0005	18.41	$1,926,385	3.17%	$3,840,276	($1,913,891)
342	$86,458	0.0%	$0	$59,142	$27,316	18.5	0.0045	17.73	$1,541	1.78%	$2,104	($563)
343	$9,672,403	0.0%	$250,432	$14,848,670	($5,426,699)	18.5	0.0015	18.24	($297,516)	-3.08%	$0	($297,516)
345	$1,165,661	0.0%	$0	$739,852	$425,809	18.5	0.0001	18.48	$23,042	1.98%	$26,706	($3,664)
346	$1,612,112	0.0%	$0	$905,341	$706,771	18.5	0.001	18.33	$38,558	2.39%	$45,407	($6,849)
Total	$73,258,927		$250,432	$41,810,557	$31,197,938	18.5			$1,692,009		$3,914,493	($2,222,484)
Sanford Unit 4												
341	$7,273,005	0.0%	$0	$3,129,303	$4,143,702	18.5	0.0005	18.41	$225,079	3.09%	$320,566	($95,487)
342	$1,754,676	0.0%	$0	$564,066	$1,190,610	18.5	0.0045	17.73	$67,152	3.83%	$84,423	($17,271)
343	$274,509,559	0.0%	$9,280,783	$53,940,671	$211,288,105	18.5	0.0015	18.24	$11,583,778	4.22%	$14,065,881	($2,482,103)
344	$28,084,480	0.0%	$0	$5,550,264	$22,534,216	18.5	0.0002	18.47	$1,220,044	4.34%	$2,327,577	($1,107,533)
345	$33,206,417	0.0%	$0	$12,453,807	$20,752,610	18.5	0.0001	18.48	$1,122,977	3.38%	$1,255,924	($132,947)
346	$3,248,040	0.0%	$0	$1,121,261	$2,126,779	18.5	0.001	18.33	$116,027	3.57%	$141,172	($25,145)
Total	$348,076,177		$9,280,783	$76,769,372	$262,036,022	18.5			$14,335,057		$18,195,543	($3,860,486)
Sanford Unit 5												
341	$6,858,890	0.0%	$0	$1,694,577	$5,164,313	17.5	0.0005	17.42	$296,459	4.32%	$382,994	($86,535)
342	$1,765,435	0.0%	$0	$429,358	$1,336,077	17.5	0.0045	16.81	$79,481	4.50%	$100,556	($21,075)
343	$254,614,619	0.0%	$4,400,438	$58,741,579	$191,472,602	17.5	0.0015	17.27	$11,087,006	4.35%	$12,422,282	($1,335,276)

344	$30,030,624	0.0%	$0	$7,303,520	$22,727,104	17.5	0.0002	17.47	$1,300,922	4.33%	$2,342,756	($1,041,834)
345	$33,483,343	0.0%	$0	$9,125,661	$24,357,682	17.5	0.0001	17.48	$1,393,460	4.16%	$1,913,123	($519,663)
346	$2,758,184	0.0%	$0	$670,798	$2,087,386	17.5	0.001	17.35	$120,310	4.36%	$156,776	($36,466)
Total	$329,511,095		$4,400,438	$77,965,493	$247,145,164	17.5			$14,277,639		$17,318,487	($3,040,848)
Total Sanfo	$750,846,199		$4,400,438	$196,535,422	$540,379,124				$30,304,704		$39,428,523	($9,123,819)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Turkey Point Combined Cycle Plant												
Turkey Point Unit 5												
341	$65,601,654	0.0%	$0	$7,133,546	$58,468,108	22.5	0.0005	22.37	$2,613,684	3.98%	$3,132,788	($519,104)
342	$12,540,827	0.0%	$0	$1,363,606	$11,177,221	22.5	0.0045	21.36	$523,278	4.17%	$625,544	($102,266)
343	$373,736,762	0.0%	$22,250,253	$53,233,814	$298,252,695	22.5	0.0015	22.12	$13,483,395	3.61%	$19,241,595	($5,758,200)
344	$3,030,799	0.0%	$0	$321,374	$2,709,425	22.5	0.0002	22.45	$120,687	3.98%	$136,991	($16,304)
345	$38,642,181	0.0%	$0	$5,401,892	$33,240,289	22.5	0.0001	22.47	$1,479,319	3.83%	$1,612,748	($133,429)
346	$10,033,608	0.0%	$0	$1,871,815	$8,161,793	22.5	0.001	22.25	$366,822	3.66%	$430,137	($63,315)
Total	$503,585,831		$22,250,253	$69,326,047	$412,009,531	22.5			$18,587,185		$25,179,803	($6,592,618)
Total Turke	$503,585,831		$22,250,253	$69,326,047	$412,009,531				$18,587,185		$25,179,803	($6,592,618)
Total CC	$4,116,385,568		$52,210,376	$1,303,547,150	$2,731,475,201				$163,050,510		$204,079,249	($41,028,739)

OTHER PRODUCTION GTS

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Gas Turbines												
Lauderdale GTs												
341	$5,855,526	-12.0%	($702,663)	$5,275,911	$1,282,278	10.5	0.0005	10.47	$122,472	2.09%	$134,551	($12,079)
342	$2,028,370	-3.0%	($60,851)	$2,169,355	($80,134)	10.5	0.0045	10.25	($7,818)	-0.39%	$0	($7,818)
343	$45,124,101	-2.0%	($197,791)	$40,099,576	$5,222,316	10.5	0.0015	10.42	$501,182	1.11%	$657,712	($156,530)
344	$17,811,067	-11.0%	($1,959,217)	$16,254,071	$3,516,213	10.5	0.0002	10.49	$335,197	1.88%	$2,744,747	($2,409,550)
345	$4,596,633	-3.0%	($137,899)	$4,240,719	$493,813	10.5	0.0001	10.49	$47,075	1.02%	$48,889	($1,814)
346	$234,584	0.0%	$0	$213,624	$20,960	10.5	0.001	10.44	$2,008	0.86%	$6,329	($4,321)
Total	$75,650,281		($3,058,422)	$68,253,256	$10,455,447	10.5			$1,000,115		$3,592,228	($2,592,113)
Ft. Myers GTs												
341	$4,027,168	-12.0%	($483,260)	$3,477,292	$1,033,136	10.5	0.0005	10.47	$98,676	2.45%	$385,582	($286,906)
342	$3,232,602	-3.0%	($96,978)	$3,185,872	$143,708	10.5	0.0045	10.25	$14,020	0.43%	$13,970	$50
343	$46,543,314	-2.0%	($86,080)	$34,733,846	$11,895,548	10.5	0.0015	10.42	$1,141,607	2.45%	$1,266,616	($125,009)
344	$21,981,629	-11.0%	($2,417,979)	$15,865,315	$8,534,293	10.5	0.0002	10.49	$813,565	3.70%	$2,394,321	($1,580,756)
345	$14,207,743	-3.0%	($426,232)	$5,166,929	$9,467,046	10.5	0.0001	10.49	$902,483	6.35%	$1,244,851	($342,368)
346	$91,395	0.0%	$0	$78,920	$12,475	10.5	0.001	10.44	$1,195	1.31%	$4,967	($3,772)
Total	$90,083,851		($3,510,530)	$62,508,174	$31,086,207	10.5			$2,971,546		$5,310,307	($2,338,761)
Pt. Everglades GT's												
341	$3,986,996	-12.0%	($478,440)	$3,293,313	$1,172,123	10.5	0.0005	10.47	$111,951	2.81%	$119,911	($7,960)
342	$9,942,862	-3.0%	($298,286)	$10,230,715	$10,433	10.5	0.0045	10.25	$1,018	0.01%	$1,011	$7
343	$21,133,092	-2.0%	$161,015	$16,467,969	$4,504,108	10.5	0.0015	10.42	$432,256	2.05%	$452,491	($20,235)
344	$11,374,968	-11.0%	($1,251,246)	$10,068,397	$2,557,817	10.5	0.0002	10.49	$243,834	2.14%	$592,241	($348,407)
345	$3,411,445	-3.0%	($102,343)	$2,878,758	$635,030	10.5	0.0001	10.49	$60,537	1.77%	$62,510	($1,973)
346	$95,330	0.0%	$0	$78,262	$17,068	10.5	0.001	10.44	$1,635	1.71%	$2,524	($889)
Total	$49,944,693		($1,969,300)	$43,017,414	$8,896,579	10.5			$851,230		$1,230,688	($379,458)
Total Gas T	$215,678,825		($1,969,300)	$173,778,844	$50,438,233				$4,822,891		$10,133,223	($5,310,332)

OPC 012003

STANDALONE IMPACT OF CHANGE IN COAL LIVES
TO 60 YEARS AND MANATEE AND MARTIN LIVES TO 50 YEARS

Steam	$99,476,072	$67,049,348	($32,426,724)	-86084
Nuclear	$93,658,545	$93,687,745	$29,200	
Combined Cycle	$204,079,249	$204,090,169	$10,920	
Other Production	$10,133,223	$10,070,060	($63,163)	
Total Production	$407,347,089	$374,897,322	($32,449,767)	

STEAM

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
	Cutler Common											
311	$5,973,901	-5.0%	($298,695)	$6,074,928	$197,668	10.5	0.0041	10.4	$19,007	0.32%	$18,968	$39
312	$817,291	-11.0%	($89,902)	$692,141	$215,052	10.5	0.0075	10	$21,505	2.63%	$21,558	($53)
314	$1,234,614	0.0%	$0	$1,356,414	($121,800)	10.5	0.0077	0	$0	0.00%	$0	$0
315	$1,058,634	-12.0%	($127,036)	$1,023,308	$162,362	10.5	0.0078	10.2	$15,918	1.50%	$15,859	$59
316	$627,886	-4.0%	($25,115)	$671,750	($18,749)	10.5	0.0083	0	$0	0.00%	$0	$0
Total	$9,712,326		($640,749)	$9,818,541	$434,534	10.5			$56,430		$56,385	$45
	Cutler 5											
311	$423,784	-5.0%	($21,189)	$402,046	$42,927	10.5	0.0041	10.3	$4,168	0.98%	$4,166	$2
312	$5,530,327	-11.0%	($608,336)	$5,441,757	$696,906	10.5	0.0075	10	$69,691	1.26%	$69,390	$301
314	$5,999,465	0.0%	$0	$5,038,174	$961,291	10.5	0.0077	10	$96,129	1.60%	$96,231	($102)
315	$2,340,096	-12.0%	($280,812)	$2,230,375	$390,533	10.5	0.0078	10	$39,053	1.67%	$38,863	$190
316	$233,543	-4.0%	($9,342)	$94,141	$148,744	10.5	0.0083	10.1	$14,727	6.31%	$14,777	($50)
Total	$14,527,215		($919,678)	$13,206,493	$2,240,400	10.5			$223,768		$223,427	$341
	Cutler 6											
311	$412,315	-5.0%	($20,616)	$390,736	$42,195	10.5	0.0041	9.7	$4,350	1.06%	$4,346	$4
312	$17,878,953	-11.0%	($1,966,685)	$9,717,420	$10,128,218	10.5	0.0075	10.2	$992,963	5.55%	$994,427	($1,464)
314	$8,588,788	0.0%	$0	$8,178,602	$410,186	10.5	0.0077	10.1	$40,612	0.47%	$40,738	($126)
315	$3,055,523	-12.0%	($366,663)	$3,115,214	$306,972	10.5	0.0078	10.1	$30,393	0.99%	$30,373	$20
316	$123,506	-4.0%	($4,940)	$70,178	$58,268	10.5	0.0083	9.7	$6,007	4.86%	$5,979	$28
	$30,059,085		($2,358,904)	$21,472,150	$10,945,839	10.5			$1,074,325		$1,075,863	($1,538)
Total Cutler	$54,298,626		($3,819,331)	$44,497,184	$13,620,773				$1,354,523		$1,355,675	($1,152)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Manatee Steam Plant												
	Manatee Common											
311	$96,350,477	-5.0%	($4,817,524)	$66,182,177	$34,985,824	17.5	0.0041	17.2	$2,034,060	2.11%	$3,423,959	($1,389,899)
312	$2,032,783	-11.0%	($223,606)	$2,351,080	($94,691)	17.5	0.0075	7	$0	0.00%	$-0	$0
314	$11,281,165	0.0%	$0	$7,381,751	$3,899,414	17.5	0.0077	16.9	$230,735	2.05%	$395,105	($164,370)
315	$9,282,558	-12.0%	($1,113,907)	$7,480,218	$2,916,247	17.5	0.0078	16.6	$175,678	1.89%	$302,558	($126,880)
316	$2,505,571	-4.0%	($100,223)	$2,163,270	$442,524	17.5	0.0083	17.3	$25,579	1.02%	$43,085	($17,506)
Total	$121,452,554		($6,255,260)	$85,558,496	$42,149,318	17.5			$2,466,051		$4,164,707	($1,698,656)
Manatee Unit 1												
311	$7,311,443	-5.0%	($365,572)	$6,056,272	$1,620,743	17.5	0.0041	17.1	$94,780	1.30%	$160,093	($65,313)
312	$125,082,972	-11.0%	($13,759,127)	$88,747,199	$50,094,900	17.5	0.0075	17	$2,946,759	2.36%	$4,986,604	($2,039,845)

314	$64,713,219	0.0%	$0	$43,658,860	$21,054,359	17.5	0.0077	16.9	$1,245,820	1.93%	$2,118,431	($872,611)
315	$10,668,482	-12.0%	($1,280,218)	$8,484,911	$3,463,789	17.5	0.0078	17.3	$200,219	1.88%	$335,111	($134,892)
316	$3,065,530	-4.0%	($122,621)	$2,300,726	$887,425	17.5	0.0083	16.4	$54,111	1.77%	$94,561	($40,450)
Total	$210,841,646		($15,527,538)	$149,247,968	$77,121,216	17.5			$4,541,689		$7,694,800	($3,153,111)
Manatee Unit 2												
311	$5,286,225	-5.0%	($264,311)	$4,349,570	$1,200,966	17.5	0.0041	17.1	$70,232	1.33%	$118,563	($48,331)
312	$116,916,975	-11.0%	($12,860,867)	$65,449,562	$64,328,280	17.5	0.0075	16.9	$3,806,407	3.26%	$6,504,955	($2,698,548)
314	$61,991,571	0.0%	$0	$47,866,381	$14,125,190	17.5	0.0077	17	$830,894	1.34%	$1,411,121	($580,227)
315	$7,832,693	-12.0%	($939,923)	$6,159,150	$2,613,466	17.5	0.0078	17.4	$150,199	1.92%	$252,241	($102,042)
316	$2,217,093	-4.0%	($88,684)	$1,713,083	$592,694	17.5	0.0083	16.5	$35,921	1.62%	$62,330	($26,409)
Total	$194,244,557		($14,153,785)	$125,537,746	$82,860,596	17.5			$4,893,653		$8,349,210	($3,455,557)
Total Manat	$526,538,757		($35,936,583)	$360,344,210	$202,131,130				$11,901,393		$20,208,717	($8,307,324)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Martin Steam Plant												
311	$236,118,421	-5.0%	($11,805,921)	$199,736,765	$48,187,577	21.5	0.0041	20.6	$2,339,203	0.99%	$4,748,635	($2,409,432)
312	$4,159,551	-11.0%	($457,551)	$3,968,319	$648,783	21.5	0.0075	20.6	$31,494	0.76%	$63,988	($32,494)
314	$26,277,902	0.0%	$0	$20,072,953	$6,204,949	21.5	0.0077	20.4	$304,164	1.16%	$627,676	($323,512)
315	$7,648,705	-12.0%	($917,845)	$6,646,272	$1,920,278	21.5	0.0078	20.5	$93,672	1.22%	$191,355	($97,683)
316	$2,788,671	-4.0%	($111,547)	$2,658,816	$241,402	21.5	0.0083	20.8	$11,606	0.42%	$23,544	($11,938)
Total	$276,993,250		($13,292,863)	$233,083,125	$57,202,988	21.5			$2,780,139		$5,655,198	($2,875,059)
Martin Pipeline												
312	$370,940	-11.0%	($40,803)	$370,942	$40,801	21.5	0.0075	20.4	$2,000	0.54%	$4,121	($2,121)
Total	$370,940		($40,803)	$370,942	$40,801	21.5			$2,000		$4,121	($2,121)
Martin Unit 1												
311	$15,381,834	-5.0%	($769,092)	$14,323,981	$1,826,945	21.5	0.0041	20.6	$88,687	0.58%	$180,122	($91,435)
312	$138,526,135	-11.0%	($15,237,875)	$117,549,375	$36,214,635	21.5	0.0075	20.1	$1,801,723	1.30%	$3,769,275	($1,967,552)
314	$76,392,977	0.0%	$0	$58,217,327	$18,175,650	21.5	0.0077	20.3	$895,352	1.17%	$1,849,645	($954,293)
315	$20,097,362	-12.0%	($2,411,683)	$18,525,818	$3,983,227	21.5	0.0078	20.6	$193,361	0.96%	$393,089	($199,728)
316	$2,580,596	-4.0%	($103,224)	$2,316,994	$366,826	21.5	0.0083	20.3	$18,070	0.70%	$37,251	($19,181)
Total	$252,978,904		($18,521,874)	$210,933,495	$60,567,283	21.5			$2,997,193		$6,229,382	($3,232,189)
Martin Unit 2												
311	$11,123,219	-5.0%	($556,161)	$10,371,694	$1,307,686	21.5	0.0041	20.7	$63,173	0.57%	$128,802	($65,629)
312	$143,922,027	-11.0%	($15,831,423)	$110,427,775	$49,325,675	21.5	0.0075	20.2	$2,441,865	1.70%	$5,088,444	($2,646,579)
314	$62,777,097	0.0%	$0	$43,619,337	$19,157,760	21.5	0.0077	20.3	$943,732	1.50%	$1,954,223	($1,010,491)
315	$17,891,013	-12.0%	($2,146,922)	$14,174,047	$5,863,888	21.5	0.0078	20.7	$283,280	1.58%	$572,538	($289,258)
316	$2,200,607	-4.0%	($88,024)	$1,984,288	$304,343	21.5	0.0083	20.2	$15,066	0.68%	$31,261	($16,195)
Total	$237,913,963		($18,622,530)	$180,577,141	$75,959,352	21.5			$3,747,116		$7,775,268	($4,028,152)
Total Martin	$768,257,057		($50,478,070)	$624,964,703	$193,770,424				$9,526,448		$19,863,969	($10,137,521)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Pt. Everglades Steam Plant												
Pt. Everglades Common												
311	$24,463,219	-5.0%	($1,223,161)	$19,474,779	$6,211,601	10.5	0.0041	10.4	$597,269	2.44%	$598,639	($1,370)
312	$2,831,767	-11.0%	($311,494)	$1,063,962	$2,079,299	10.5	0.0075	10.1	$205,871	7.27%	$206,004	($133)
314	$4,830,537	0.0%	$0	$2,708,107	$2,122,430	10.5	0.0077	10	$212,243	4.39%	$212,056	$187
315	$6,006,107	-12.0%	($720,733)	$4,948,543	$1,778,297	10.5	0.0078	10.3	$172,650	2.87%	$172,131	$519
316	$2,005,034	-4.0%	($80,201)	$1,561,640	$523,595	10.5	0.0083	10.1	$51,841	2.59%	$51,932	($91)
Total	$40,136,664		($2,335,590)	$29,757,031	$12,715,223	10.5			$1,239,875		$1,240,762	($887)
Pt. Everglades Unit 1												
311	$1,840,592	-5.0%	($92,030)	$1,413,369	$519,253	10.5	0.0041	9.9	$52,450	2.85%	$52,289	$161
312	$34,942,212	-11.0%	($3,843,643)	$30,785,069	$8,000,786	10.5	0.0075	10.3	$776,775	2.22%	$777,851	($1,076)
314	$17,391,669	0.0%	$0	$13,273,559	$4,118,110	10.5	0.0077	10.1	$407,734	2.34%	$409,242	($1,508)
315	$7,962,611	-12.0%	($955,513)	$3,317,503	$5,600,621	10.5	0.0078	10.4	$538,521	6.76%	$540,353	($1,832)
316	$503,103	-4.0%	($20,124)	$155,795	$367,432	10.5	0.0083	9.4	$39,089	7.77%	$39,100	($11)
Total	$62,640,187		($4,911,310)	$48,945,295	$18,606,202	10.5			$1,814,569		$1,818,835	($4,266)
Pt. Everglades Unit 2												
311	$1,732,046	-5.0%	($86,602)	$1,073,033	$745,615	10.5	0.0041	10.1	$73,823	4.26%	$74,053	($230)
312	$39,657,434	-11.0%	($4,362,318)	$33,026,508	$10,993,244	10.5	0.0075	10.3	$1,067,305	2.69%	$1,069,561	($2,256)
314	$17,170,811	0.0%	$0	$9,730,189	$7,440,622	10.5	0.0077	9.8	$759,247	4.42%	$760,450	($1,203)
315	$9,508,129	-12.0%	($1,140,975)	$5,518,068	$5,131,036	10.5	0.0078	10.4	$493,369	5.19%	$495,192	($1,823)
316	$549,842	-4.0%	($21,994)	$191,522	$380,314	10.5	0.0083	9.6	$39,616	7.20%	$39,438	$178
Total	$68,618,262		($5,611,889)	$49,539,320	$24,690,831	10.5			$2,433,361		$2,438,694	($5,333)
Pt. Everglades Unit 3												
311	$5,811,192	-5.0%	($290,560)	$799,291	$5,302,461	10.5	0.0041	10.4	$509,852	8.77%	$511,057	($1,205)
312	$78,802,927	-11.0%	($8,668,322)	$44,970,182	$42,501,067	10.5	0.0075	10.1	$4,208,026	5.34%	$4,211,675	($3,649)
314	$25,278,630	0.0%	$0	$10,888,684	$14,389,946	10.5	0.0077	9.8	$1,468,362	5.81%	$1,461,444	$6,918
315	$13,169,884	-12.0%	($1,580,386)	$7,492,120	$7,258,150	10.5	0.0078	10.2	$711,583	5.40%	$709,219	$2,364
316	$402,449	-4.0%	($16,098)	$225,808	$192,739	10.5	0.0083	10.2	$18,896	4.70%	$18,818	$78
Total	$123,465,082		($10,555,366)	$64,376,085	$69,644,363	10.5			$6,916,720		$6,912,213	$4,507
Pt. Everglades Unit 4												
311	$787,556	-5.0%	($39,378)	$568,650	$258,284	10.5	0.0041	10.4	$24,835	3.15%	$24,880	($45)
312	$97,124,127	-11.0%	($10,683,654)	$55,145,849	$52,661,932	10.5	0.0075	10.1	$5,214,053	5.37%	$5,213,411	$642
314	$23,073,436	0.0%	$0	$11,544,450	$11,528,986	10.5	0.0077	9.8	$1,176,427	5.10%	$1,174,273	$2,154
315	$15,289,269	-12.0%	($1,834,712)	$8,876,213	$8,247,768	10.5	0.0078	10.2	$808,605	5.29%	$805,051	$3,554
316	$172,080	-4.0%	($6,883)	$145,870	$33,093	10.5	0.0083	10.3	$3,213	1.87%	$3,223	($10)
Total	$136,446,468		($12,564,627)	$76,281,032	$72,730,063	10.5			$7,227,132		$7,220,838	$6,294
Total Pt. Ev	$431,306,663		($35,978,782)	$268,898,763	$198,386,682				$19,631,656		$19,631,342	$314

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Sanford Steam Plant												
Sanford Unit 3												
311	$4,701,046	-5.0%	($235,052)	$3,657,094	$1,279,004	10.5	0.0041	10.4	$122,981	2.62%	$123,202	($221)
312	$10,679,201	-11.0%	($1,174,712)	$10,049,469	$1,804,444	10.5	0.0075	10.2	$176,906	1.66%	$176,144	$762
314	$13,119,005	0.0%	$0	$4,491,872	$8,627,133	10.5	0.0077	9.5	$908,119	6.92%	$909,191	($1,072)
315	$4,585,245	-12.0%	($550,229)	$1,729,645	$3,405,829	10.5	0.0078	10.2	$333,905	7.28%	$334,704	($799)
316	$399,034	-4.0%	($15,961)	$354,395	$60,600	10.5	0.0083	10.3	$5,884	1.47%	$5,883	$1
Total	$33,483,531		($1,975,955)	$20,282,475	$15,177,011	10.5			$1,547,795		$1,549,124	($1,329)
Total Sanfo	$33,483,531		($1,975,955)	$20,282,475	$15,177,011				$1,547,795		$1,549,124	($1,329)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Scherer Steam Plant												
Scherer Coal Cars												
312	$34,174,990	-11.0%	($3,759,249)	$32,938,994	$4,995,245	38.5	0.0075	36.3	$137,610	0.40%	$272,689	($135,079)
Total	$34,174,990		($3,759,249)	$32,938,994	$4,995,245	38.5			$137,610		$272,689	($135,079)
Scherer Common												
311	$38,262,666	-5.0%	($1,913,133)	$25,274,737	$14,901,062	38.5	0.0041	36.7	$406,023	1.06%	$798,633	($392,610)
312	$21,879,850	-11.0%	($2,406,784)	$14,155,294	$10,131,340	38.5	0.0075	35.4	$286,196	1.31%	$581,938	($295,742)
314	$4,044,832	0.0%	$0	$3,203,638	$841,194	38.5	0.0077	35	$24,034	0.59%	$49,567	($25,533)
315	$1,235,563	-12.0%	($148,268)	$993,051	$390,780	38.5	0.0078	36	$10,855	0.88%	$21,736	($10,881)
316	$3,160,922	-4.0%	($126,437)	$2,367,100	$920,259	38.5	0.0083	35.4	$25,996	0.82%	$52,764	($26,768)
Total	$68,583,833		($4,594,621)	$45,993,820	$27,184,634	38.5			$753,105		$1,504,638	($751,533)
Scherer Common Unit 3 & 4												
311	$2,955,496	-5.0%	($147,775)	$2,518,453	$584,818	38.5	0.0041	36.6	$15,979	0.54%	$31,392	($15,413)
312	$17,081,036	-11.0%	($1,878,914)	$11,531,752	$7,428,198	38.5	0.0075	35.4	$209,836	1.23%	$426,951	($217,115)
314	$335,873	0.0%	$0	$285,101	$50,772	38.5	0.0077	35	$1,451	0.43%	$2,980	($1,529)
315	$292,934	-12.0%	($35,152)	$212,548	$115,538	38.5	0.0078	36.1	$3,201	1.09%	$6,369	($3,168)
Total	$20,665,339		($2,061,841)	$14,547,854	$8,179,326	38.5			$230,466	1.12%	$467,692	($237,226)
Scherer Unit 4												
311	$64,076,617	-5.0%	($3,203,831)	$38,754,282	$28,526,166	38.5	0.0041	36.6	$779,403	1.22%	$1,535,168	($755,765)
312	$276,755,766	-11.0%	($30,443,134)	$172,000,115	$135,198,785	38.5	0.0075	35.3	$3,829,994	1.38%	$7,818,631	($3,988,637)
314	$116,669,482	0.0%	$0	$67,876,049	$48,793,433	38.5	0.0077	34.9	$1,398,093	1.20%	$2,884,899	($1,486,806)
315	$22,875,511	-12.0%	($2,745,061)	$15,693,441	$9,927,131	38.5	0.0078	36	$275,754	1.21%	$551,748	($275,994)
316	$4,337,834	-4.0%	($173,513)	$2,879,628	$1,631,719	38.5	0	35.9	$45,452	1.05%	$90,985	($45,533)
Total	$484,715,210		($36,565,540)	$297,203,515	$224,077,235	38.5			$6,328,695		$12,881,431	($6,552,736)
Total Scher	$608,139,372		($46,981,251)	$390,684,183	$264,436,440				$7,449,876		$15,126,450	($7,676,574)

	Balance 12/31/2009	Net Salvage %	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
SJRPP Steam Plant												
SJRPP Coal & Limestone												
311	$3,835,845	-5.0%	($191,792)	$2,348,432	$1,679,205	37.5	0.0041	35.4	$47,435	1.24%	$96,407	($48,972)
312	$31,307,987	-11.0%	($3,443,879)	$20,733,572	$14,018,294	37.5	0.0075	33.8	$414,742	1.32%	$884,944	($470,202)
315	$3,776,787	-12.0%	($453,214)	$2,942,226	$1,287,775	37.5	0.0078	34.6	$37,219	0.99%	$77,460	($40,241)
316	$306,801	-4.0%	($12,272)	$248,280	$70,793	37.5	0.0083	33.5	$2,113	0.69%	$4,554	($2,441)
Total	$39,227,420		($4,101,157)	$26,272,510	$17,056,067	37.5			$501,510		$1,063,365	($561,855)
SJRPP Coal Cars												
312	$2,725,310	-11.0%	($299,784)	$2,672,650	$352,444	37.5	0.0075	35.7	$9,872	0.36%	$19,878	($10,006)
Total	$2,725,310		($299,784)	$2,672,650	$352,444	37.5			$9,872		$19,878	($10,006)
SJRPP Common												
311	$43,483,249	-5.0%	($2,174,162)	$22,008,384	$23,649,027	37.5	0.0041	35.8	$660,587	1.52%	$1,329,160	($668,573)
312	$4,841,873	-11.0%	($532,606)	$2,114,111	$3,260,368	37.5	0.0075	34.8	$93,689	1.93%	$194,405	($100,716)
314	$3,464,477	0.0%	$0	$1,649,923	$1,814,554	37.5	0.0077	34.3	$52,902	1.53%	$111,178	($58,276)
315	$7,914,407	-12.0%	($949,729)	$4,659,423	$4,204,713	37.5	0.0078	35.3	$119,114	1.51%	$243,016	($123,902)
316	$2,173,083	-4.0%	($86,923)	$1,463,580	$796,426	37.5	0.0083	35.5	$22,435	1.03%	$45,479	($23,044)
Total	$61,877,089		($3,743,421)	$31,895,421	$33,725,089	37.5			$948,727		$1,923,238	($974,511)
SJRPP Gypsum & Ash												
311	$2,079,386	-5.0%	($103,969)	$1,437,419	$745,936	37.5	0.0041	35.4	$21,072	1.01%	$42,912	($21,840)
312	$17,574,970	-11.0%	($1,933,247)	$14,372,745	$5,135,472	37.5	0.0075	34	$151,043	0.86%	$321,134	($170,091)
315	$53,709	-12.0%	($6,445)	$32,364	$27,790	37.5	0.0078	35.1	$792	1.47%	$1,625	($833)
316	$112,764	-4.0%	($4,511)	$81,078	$36,197	37.5	0.0083	33.5	$1,080	0.96%	$2,333	($1,253)
Total	$19,820,829		($2,048,172)	$15,923,606	$5,945,395	37.5			$173,987		$368,004	($194,017)
SJRPP Unit 1												
311	$12,636,281	-5.0%	($631,814)	$6,330,456	$6,937,639	37.5	0.0041	35.7	$194,332	1.54%	$390,867	($196,535)
312	$100,097,129	-11.0%	($11,010,684)	$49,273,277	$61,834,536	37.5	0.0075	34.6	$1,787,125	1.79%	$3,721,876	($1,934,751)
314	$35,745,341	0.0%	$0	$15,820,181	$19,925,160	37.5	0.0077	34.4	$579,220	1.62%	$1,213,181	($633,961)
315	$15,979,993	-12.0%	($1,917,599)	$9,748,498	$8,149,094	37.5	0.0078	35.4	$230,200	1.44%	$468,881	($238,681)
316	$2,799,432	-4.0%	($111,977)	$1,525,561	$1,385,848	37.5	0.0083	34.8	$39,823	1.42%	$82,574	($42,751)
Total	$167,258,176		($13,672,075)	$82,697,973	$98,232,278	37.5			$2,830,700		$5,877,379	($3,046,679)
SJRPP Unit 2												
311	$7,487,417	-5.0%	($374,371)	$4,920,104	$2,941,684	37.5	0.0041	35.4	$83,098	1.11%	$169,117	($86,019)
312	$65,614,711	-11.0%	($7,217,618)	$42,156,598	$30,675,731	37.5	0.0075	33.9	$904,889	1.38%	$1,924,591	($1,019,702)
314	$24,131,830	0.0%	$0	$14,806,356	$9,325,474	37.5	0.0077	34.1	$273,474	1.13%	$579,661	($306,187)
315	$9,798,705	-12.0%	($1,175,845)	$7,694,036	$3,280,514	37.5	0.0078	34.6	$94,813	0.97%	$197,046	($102,233)
316	$1,622,572	-4.0%	($64,903)	$1,132,958	$554,517	37.5	0.0083	33.9	$16,357	1.01%	$34,823	($18,466)
Total	$108,655,235		($8,832,737)	$70,710,052	$46,777,920	37.5			$1,372,632		$2,905,238	($1,532,606)

OPC 012009

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Total SJRPl	$399,564,059		($32,697,345)	$230,172,212	$202,089,192				$5,837,428		$12,157,102	($6,319,674)
Turkey Point Steam Plant												
Turkey Point Common												
311	$9,974,936	-5.0%	($498,747)	$8,508,390	$1,965,293	10.5	0.0041	10.4	$188,970	1.89%	$188,940	$30
312	$2,839,101	-11.0%	($312,301)	$1,662,708	$1,488,694	10.5	0.0075	10.2	$145,950	5.14%	$145,609	$341
314	$1,590,774	0.0%	$0	$1,113,631	$477,143	10.5	0.0077	10.1	$47,242	2.97%	$47,399	($157)
315	$3,671,052	-12.0%	($440,526)	$3,146,875	$964,703	10.5	0.0078	10.3	$93,661	2.55%	$93,777	($116)
316	$1,189,610	-4.0%	($47,584)	$932,326	$304,868	10.5	0.0083	10.3	$29,599	2.49%	$29,629	($30)
Total	$19,265,473		($1,299,159)	$15,363,930	$5,200,702	10.5			$505,422		$505,354	$68
Turkey Point Unit 1												
311	$2,269,026	-5.0%	($113,451)	$1,657,463	$725,014	10.5	0.0041	10.3	$70,390	3.10%	$70,186	$204
312	$71,130,814	-11.0%	($7,824,390)	$46,737,167	$32,218,037	10.5	0.0075	10.1	$3,189,905	4.48%	$3,175,700	$14,205
314	$25,082,846	0.0%	$0	$15,434,221	$9,648,625	10.5	0.0077	10	$964,863	3.85%	$964,711	$152
315	$5,105,015	-12.0%	($612,602)	$2,992,130	$2,725,487	10.5	0.0078	10.1	$269,850	5.29%	$270,562	($712)
316	$729,112	-4.0%	($29,164)	$484,001	$274,275	10.5	0.0083	10.3	$26,629	3.65%	$26,751	($122)
Total	$104,316,813		($8,579,607)	$67,304,982	$45,591,438	10.5			$4,521,636		$4,507,910	$13,726
Turkey Point Unit 2												
311	$2,585,697	-5.0%	($129,285)	$1,848,067	$866,915	10.5	0.0041	10.4	$83,357	3.22%	$83,509	($152)
312	$54,758,844	-11.0%	($6,023,473)	$32,817,674	$27,964,643	10.5	0.0075	10.2	$2,741,632	5.01%	$2,736,884	$4,748
314	$25,717,422	0.0%	$0	$12,610,713	$13,106,709	10.5	0.0077	10	$1,310,671	5.10%	$1,315,564	($4,893)
315	$8,029,283	-12.0%	($963,514)	$2,586,297	$6,406,500	10.5	0.0078	10.2	$628,088	7.82%	$625,087	$3,001
316	$401,764	-4.0%	($16,071)	$328,312	$89,523	10.5	0.0083	9.5	$9,423	2.35%	$9,385	$38
Total	$91,493,010		($7,132,342)	$50,191,063	$48,434,289	10.5			$4,773,171		$4,770,429	$2,742
Total Turke	$215,075,296		($17,011,108)	$132,859,975	$99,226,429				$9,800,229		$9,783,693	$16,536
Steam	$3,036,663,361		($224,878,425)	$2,072,703,705	$1,188,838,081				$67,049,348		$99,476,072	($32,426,724)

OPC 012011

STANDALONE IMPACT OF CHANGE IN IRR AND METHOD

Steam	$99,476,072	$97,663,796	($1,812,276)
Nuclear	$93,658,545	$76,765,891	($16,892,654)
Combined Cycle	$204,079,249	$173,178,439	($30,900,810)
Other Production	$10,133,223	$4,822,891	($5,310,332)
Total Production	$407,347,089	$352,431,015	($54,916,074)

STEAM

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Cutler Common												
311	$5,973,901	-5.0%	($298,695)	$6,074,928	$197,668	10.5	0.0041	10.27	$19,247	0.32%	$18,968	$279
312	$817,291	-11.0%	($89,902)	$692,141	$215,052	10.5	0.0075	10.09	$21,313	2.61%	$21,558	($245)
314	$1,234,614	0.0%	$0	$1,356,414	($121,800)	10.5	0.0077	10.08	($12,083)	-0.98%	$0	($12,083)
315	$1,058,634	-12.0%	($127,036)	$1,023,308	$162,362	10.5	0.0078	10.07	$16,123	1.52%	$15,859	$264
316	$627,886	-4.0%	($25,115)	$671,750	($18,749)	10.5	0.0083	10.04	($1,867)	-0.30%	$0	($1,867)
Total	$9,712,326		($540,749)	$9,818,541	$434,534	10.5			$42,733		$56,385	($13,652)
Cutler 5												
311	$423,784	-5.0%	($21,189)	$402,046	$42,927	10.5	0.0041	10.27	$4,180	0.99%	$4,166	$14
312	$5,530,327	-11.0%	($608,336)	$5,441,757	$696,906	10.5	0.0075	10.09	$69,069	1.25%	$69,390	($321)
314	$5,999,465	0.0%	$0	$5,038,174	$961,291	10.5	0.0077	10.08	$95,366	1.59%	$96,231	($865)
315	$2,340,096	-12.0%	($280,812)	$2,230,375	$390,533	10.5	0.0078	10.07	$38,782	1.66%	$38,863	($81)
316	$233,543	-4.0%	($9,342)	$94,141	$148,744	10.5	0.0083	10.04	$14,815	6.34%	$14,777	$38
Total	$14,527,215		($919,678)	$13,206,493	$2,240,400	10.5			$222,212		$223,427	($1,215)
Cutler 6												
311	$412,315	-5.0%	($20,616)	$390,736	$42,195	10.5	0.0041	10.27	$4,109	1.00%	$4,346	($237)
312	$17,878,953	-11.0%	($1,966,685)	$9,717,420	$10,128,218	10.5	0.0075	10.09	$1,003,788	5.61%	$994,427	$9,361
314	$8,588,788	0.0%	$0	$8,178,602	$410,186	10.5	0.0077	10.08	$40,693	0.47%	$40,738	($45)
315	$3,055,523	-12.0%	($366,663)	$3,115,214	$306,972	10.5	0.0078	10.07	$30,484	1.00%	$30,373	$111
316	$123,506	-4.0%	($4,940)	$70,178	$58,268	10.5	0.0083	10.04	$5,804	4.70%	$5,979	($175)
	$30,059,085		($2,358,904)	$21,472,150	$10,945,839	10.5			$1,084,877		$1,075,863	$9,014
Total Cutler	$54,298,626		($3,819,331)	$44,497,184	$13,620,773				$1,349,822		$1,355,675	($5,853)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Manatee Steam Plant												
Manatee Common												
311	$96,350,477	-5.0%	($4,817,524)	$66,182,177	$34,985,824	10.5	0.0041	10.27	$3,406,604	3.54%	$3,423,959	($17,355)
312	$2,032,783	-11.0%	($223,606)	$2,351,080	($94,691)	10.5	0.0075	10.09	($9,385)	-0.46%	$0	($9,385)
314	$11,281,165	0.0%	$0	$7,381,751	$3,899,414	10.5	0.0077	10.08	$386,847	3.43%	$395,105	($8,258)
315	$9,282,558	-12.0%	($1,113,907)	$7,480,218	$2,916,247	10.5	0.0078	10.07	$289,598	3.12%	$302,558	($12,960)
316	$2,505,571	-4.0%	($100,223)	$2,163,270	$442,524	10.5	0.0083	10.04	$44,076	1.76%	$43,085	$991
Total	$121,452,554		($6,255,260)	$85,558,496	$42,149,318	10.5			$4,117,740		$4,164,707	($46,967)
Manatee Unit 1												
311	$7,311,443	-5.0%	($365,572)	$6,056,272	$1,620,743	10.5	0.0041	10.27	$157,813	2.16%	$160,093	($2,280)
312	$125,082,972	-11.0%	($13,759,127)	$88,747,199	$50,094,900	10.5	0.0075	10.09	$4,964,807	3.97%	$4,986,604	($21,797)

314	$64,713,219	0.0%	$0	$43,658,860	$21,054,359	10.5	0.0077	10.08	$2,088,726	3.23%	$2,118,431	($29,705)
315	$10,668,482	-12.0%	($1,280,218)	$8,484,911	$3,463,789	10.5	0.0078	10.07	$343,971	3.22%	$335,111	$8,860
316	$3,065,530	-4.0%	($122,621)	$2,300,726	$887,425	10.5	0.0083	10.04	$88,389	2.88%	$94,561	($6,172)
Total	$210,841,646		($15,527,538)	$149,247,968	$77,121,216	10.5			$7,643,706		$7,694,800	($51,094)
Manatee Unit 2												
311	$5,286,225	-5.0%	($264,311)	$4,349,570	$1,200,966	10.5	0.0041	10.27	$116,939	2.21%	$118,563	($1,624)
312	$116,916,975	-11.0%	($12,860,867)	$65,449,562	$64,328,280	10.5	0.0075	10.09	$6,375,449	5.45%	$6,504,955	($129,506)
314	$61,991,571	0.0%	$0	$47,866,381	$14,125,190	10.5	0.0077	10.08	$1,401,309	2.26%	$1,411,121	($9,812)
315	$7,832,693	-12.0%	($939,923)	$6,159,150	$2,613,466	10.5	0.0078	10.07	$259,530	3.31%	$252,241	$7,289
316	$2,217,093	-4.0%	($88,684)	$1,713,083	$592,694	10.5	0.0083	10.04	$59,033	2.66%	$62,330	($3,297)
Total	$194,244,557		($14,153,785)	$125,537,746	$82,860,596	10.5			$8,212,260		$8,349,210	($136,950)
Total Manat	$526,538,757		($35,936,583)	$360,344,210	$202,131,130				$19,973,706		$20,208,717	($235,011)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Martin Steam Plant												
311	$236,118,421	-5.0%	($11,805,921)	$199,736,765	$48,187,577	10.5	0.0041	10.27	$4,692,072	1.99%	$4,748,635	($56,563)
312	$4,159,551	-11.0%	($457,551)	$3,968,319	$648,783	10.5	0.0075	10.09	$64,300	1.55%	$63,988	$312
314	$26,277,902	0.0%	$0	$20,072,953	$6,204,949	10.5	0.0077	10.08	$615,570	2.34%	$627,676	($12,106)
315	$7,648,705	-12.0%	($917,845)	$6,646,272	$1,920,278	10.5	0.0078	10.07	$190,693	2.49%	$191,355	($662)
316	$2,788,671	-4.0%	($111,547)	$2,658,816	$241,402	10.5	0.0083	10.04	$24,044	0.86%	$23,544	$500
Total	$276,993,250		($13,292,863)	$233,083,125	$57,202,988	10.5			$5,586,679		$5,655,198	($68,519)
Martin Pipeline												
312	$370,940	-11.0%	($40,803)	$370,942	$40,801	10.5	0.0075	10.09	$4,044	1.09%	$4,121	($77)
Total	$370,940		($40,803)	$370,942	$40,801	10.5			$4,044		$4,121	($77)
Martin Unit 1												
311	$15,381,834	-5.0%	($769,092)	$14,323,981	$1,826,945	10.5	0.0041	10.27	$177,891	1.16%	$180,122	($2,231)
312	$138,526,135	-11.0%	($15,237,875)	$117,549,375	$36,214,635	10.5	0.0075	10.09	$3,589,161	2.59%	$3,769,275	($180,114)
314	$76,392,977	0.0%	$0	$58,217,327	$18,175,650	10.5	0.0077	10.08	$1,803,140	2.36%	$1,849,645	($46,505)
315	$20,097,362	-12.0%	($2,411,683)	$18,525,818	$3,983,227	10.5	0.0078	10.07	$395,554	1.97%	$393,089	$2,465
316	$2,580,596	-4.0%	($103,224)	$2,316,994	$366,826	10.5	0.0083	10.04	$36,536	1.42%	$37,251	($715)
Total	$252,978,904		($18,521,874)	$210,933,495	$60,567,283	10.5			$6,002,283		$6,229,382	($227,099)
Martin Unit 2												
311	$11,123,219	-5.0%	($556,161)	$10,371,694	$1,307,686	10.5	0.0041	10.27	$127,331	1.14%	$128,802	($1,471)
312	$143,922,027	-11.0%	($15,831,423)	$110,427,775	$49,325,675	10.5	0.0075	10.09	$4,888,570	3.40%	$5,088,444	($199,874)
314	$62,777,097	0.0%	$0	$43,619,337	$19,157,760	10.5	0.0077	10.08	$1,900,571	3.03%	$1,954,223	($53,652)
315	$17,891,013	-12.0%	($2,146,922)	$14,174,047	$5,863,888	10.5	0.0078	10.07	$582,313	3.25%	$572,538	$9,775
316	$2,200,607	-4.0%	($88,024)	$1,984,288	$304,343	10.5	0.0083	10.04	$30,313	1.38%	$31,261	($948)
Total	$237,913,963		($18,622,530)	$180,577,141	$75,959,352	10.5			$7,529,098		$7,775,268	($246,170)
Total Martin	$768,257,057		($50,478,070)	$624,964,703	$193,770,424				$19,122,103		$19,663,969	($541,866)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Pt. Everglades Steam Plant												
Pt. Everglades Common												
311	$24,463,219	-5.0%	($1,223,161)	$19,474,779	$6,211,601	10.5	0.0041	10.27	$604,830	2.47%	$598,639	$6,191
312	$2,831,767	-11.0%	($311,494)	$1,063,962	$2,079,299	10.5	0.0075	10.09	$206,075	7.28%	$206,004	$71
314	$4,830,537	0.0%	$0	$2,708,107	$2,122,430	10.5	0.0077	10.08	$210,559	4.36%	$212,056	($1,497)
315	$6,006,107	-12.0%	($720,733)	$4,948,543	$1,778,297	10.5	0.0078	10.07	$176,594	2.94%	$172,131	$4,463
316	$2,005,034	-4.0%	($80,201)	$1,561,640	$523,595	10.5	0.0083	10.04	$52,151	2.60%	$51,932	$219
Total	$40,136,664		($2,335,590)	$29,757,031	$12,715,223	10.5			$1,250,208		$1,240,762	$9,446
Pt. Everglades Unit 1												
311	$1,840,592	-5.0%	($92,030)	$1,413,369	$519,253	10.5	0.0041	10.27	$50,560	2.75%	$52,289	($1,729)
312	$34,942,212	-11.0%	($3,843,643)	$30,785,069	$8,000,786	10.5	0.0075	10.09	$792,942	2.27%	$777,851	$15,091
314	$17,391,669	0.0%	$0	$13,273,559	$4,118,110	10.5	0.0077	10.08	$408,543	2.35%	$409,242	($699)
315	$7,962,611	-12.0%	($955,513)	$3,317,503	$5,600,621	10.5	0.0078	10.07	$556,169	6.98%	$540,353	$15,816
316	$503,103	-4.0%	($20,124)	$155,795	$367,432	10.5	0.0083	10.04	$36,597	7.27%	$39,100	($2,503)
Total	$62,640,187		($4,911,310)	$48,945,295	$18,606,202	10.5			$1,844,811		$1,818,835	$25,976
Pt. Everglades Unit 2												
311	$1,732,046	-5.0%	($86,602)	$1,073,033	$745,615	10.5	0.0041	10.27	$72,601	4.19%	$74,053	($1,452)
312	$39,657,434	-11.0%	($4,362,318)	$33,026,508	$10,993,244	10.5	0.0075	10.09	$1,089,519	2.75%	$1,069,561	$19,958
314	$17,170,811	0.0%	$0	$9,730,189	$7,440,622	10.5	0.0077	10.08	$738,157	4.30%	$760,450	($22,293)
315	$9,508,129	-12.0%	($1,140,975)	$5,518,068	$5,131,036	10.5	0.0078	10.07	$509,537	5.36%	$495,192	$14,345
316	$549,842	-4.0%	($21,994)	$191,522	$380,314	10.5	0.0083	10.04	$37,880	6.89%	$39,438	($1,558)
Total	$68,618,262		($5,611,889)	$49,539,320	$24,690,831	10.5			$2,447,694		$2,438,694	$9,000
Pt. Everglades Unit 3												
311	$5,811,192	-5.0%	($290,560)	$799,291	$5,302,461	10.5	0.0041	10.27	$516,306	8.88%	$511,057	$5,249
312	$78,802,927	-11.0%	($8,668,322)	$44,970,182	$42,501,067	10.5	0.0075	10.09	$4,212,197	5.35%	$4,211,675	$522
314	$25,278,630	0.0%	$0	$10,888,684	$14,389,946	10.5	0.0077	10.08	$1,427,574	5.65%	$1,461,444	($33,870)
315	$13,169,884	-12.0%	($1,580,386)	$7,492,120	$7,258,150	10.5	0.0078	10.07	$720,770	5.47%	$709,219	$11,551
316	$402,449	-4.0%	($16,098)	$225,808	$192,739	10.5	0.0083	10.04	$19,197	4.77%	$18,818	$379
Total	$123,465,082		($10,555,366)	$64,376,085	$69,644,363	10.5			$6,896,043		$6,912,213	($16,170)
Pt. Everglades Unit 4												
311	$787,556	-5.0%	($39,378)	$568,650	$258,284	10.5	0.0041	10.27	$25,149	3.19%	$24,880	$269
312	$97,124,127	-11.0%	($10,683,654)	$55,145,849	$52,661,932	10.5	0.0075	10.09	$5,219,220	5.37%	$5,213,411	$5,809
314	$23,073,436	0.0%	$0	$11,544,450	$11,528,986	10.5	0.0077	10.08	$1,143,749	4.96%	$1,174,273	($30,524)
315	$15,289,269	-12.0%	($1,834,712)	$8,876,213	$8,247,768	10.5	0.0078	10.07	$819,044	5.36%	$805,051	$13,993
316	$172,080	-4.0%	($6,883)	$145,870	$33,093	10.5	0.0083	10.04	$3,296	1.92%	$3,223	$73
Total	$136,446,468		($12,564,627)	$76,281,032	$72,730,063	10.5			$7,210,458		$7,220,838	($10,380)
Total Pt. Ev	$431,306,663		($35,978,782)	$268,898,763	$198,386,682				$19,649,214		$19,631,342	$17,872

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Sanford Steam Plant												
Sanford Unit 3												
311	$4,701,046	-5.0%	($235,052)	$3,657,094	$1,279,004	10.5	0.0041	10.27	$124,538	2.65%	$123,202	$1,336
312	$10,679,201	-11.0%	($1,174,712)	$10,049,469	$1,804,444	10.5	0.0075	10.09	$178,835	1.67%	$176,144	$2,691
314	$13,119,005	0.0%	$0	$4,491,872	$8,627,133	10.5	0.0077	10.08	$855,866	6.52%	$909,191	($53,325)
315	$4,585,245	-12.0%	($550,229)	$1,729,645	$3,405,829	10.5	0.0078	10.07	$338,215	7.38%	$334,704	$3,511
316	$399,034	-4.0%	($15,961)	$354,395	$60,600	10.5	0.0083	10.04	$6,036	1.51%	$5,883	$153
Total	$33,483,531		($1,975,955)	$20,282,475	$15,177,011	10.5			$1,503,490		$1,549,124	($45,634)
Total Sanfor	$33,483,531		($1,975,955)	$20,282,475	$15,177,011				$1,503,490		$1,549,124	($45,634)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Scherer Steam Plant												
Scherer Coal Cars												
312	$34,174,990	-11.0%	($3,759,249)	$32,938,994	$4,995,245	19.5	0.0075	18.07	$276,439	0.81%	$272,689	$3,750
Total	$34,174,990		($3,759,249)	$32,938,994	$4,995,245	19.5			$276,439		$272,689	$3,750
Scherer Common												
311	$38,262,666	-5.0%	($1,913,133)	$25,274,737	$14,901,062	19.5	0.0041	18.72	$795,997	2.08%	$798,633	($2,636)
312	$21,879,850	-11.0%	($2,406,784)	$14,155,294	$10,131,340	19.5	0.0075	18.07	$560,672	2.56%	$581,938	($21,266)
314	$4,044,832	0.0%	$0	$3,203,638	$841,194	19.5	0.0077	18.04	$46,629	1.15%	$49,567	($2,938)
315	$1,235,563	-12.0%	($148,268)	$993,051	$390,780	19.5	0.0078	18.02	$21,686	1.76%	$21,736	($50)
316	$3,160,922	-4.0%	($126,437)	$2,367,100	$920,259	19.5	0.0083	17.92	$51,354	1.62%	$52,764	($1,410)
Total	$68,583,833		($4,594,621)	$45,993,820	$27,184,634	19.5			$1,476,338		$1,504,638	($28,300)
Scherer Common Unit 3 & 4												
311	$2,956,496	-5.0%	($147,775)	$2,518,453	$584,818	19.5	0.0041	18.72	$31,240	1.06%	$31,392	($152)
312	$17,081,036	-11.0%	($1,878,914)	$11,531,752	$7,428,198	19.5	0.0075	18.07	$411,079	2.41%	$426,951	($15,872)
314	$335,873	0.0%	$0	$285,101	$50,772	19.5	0.0077	18.04	$2,814	0.84%	$2,980	($166)
315	$292,934	-12.0%	($35,152)	$212,548	$115,538	19.5	0.0078	18.02	$6,412	2.19%	$6,369	$43
Total	$20,665,339		($2,061,841)	$14,547,854	$8,179,326	19.5			$451,545	2.19%	$467,692	($16,147)
Scherer Unit 4												
311	$64,076,617	-5.0%	($3,203,831)	$38,754,282	$28,526,166	19.5	0.0041	18.72	$1,523,834	2.38%	$1,535,168	($11,334)
312	$276,755,766	-11.0%	($30,443,134)	$172,000,115	$135,198,785	19.5	0.0075	18.07	$7,481,947	2.70%	$7,818,631	($336,684)
314	$116,669,482	0.0%	$0	$67,876,049	$48,793,433	19.5	0.0077	18.04	$2,704,736	2.32%	$2,884,899	($180,163)
315	$22,875,511	-12.0%	($2,745,061)	$15,693,441	$9,927,131	19.5	0.0078	18.02	$550,895	2.41%	$551,748	($853)
316	$4,337,834	-4.0%	($173,513)	$2,879,628	$1,631,719	19.5	0.0083	17.92	$91,056	2.10%	$90,985	$71
Total	$484,715,210		($36,565,540)	$297,203,515	$224,077,235	19.5			$12,352,468		$12,881,431	($528,963)
Total Scher	$608,139,372		($46,981,251)	$390,684,183	$264,436,440				$14,556,789		$15,126,450	($569,661)

OPC 012016

080677 Hearing Exhibits - 00001134

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
SJRPP Steam Plant												
SJRPP Coal & Limestone												
311	$3,835,845	-5.0%	($191,792)	$2,348,432	$1,679,205	18.5	0.0041	17.8	$94,337	2.46%	$96,407	($2,070)
312	$31,307,967	-11.0%	($3,443,879)	$20,733,572	$14,018,294	18.5	0.0075	17.22	$814,070	2.60%	$884,944	($70,874)
315	$3,776,787	-12.0%	($453,214)	$2,942,226	$1,287,775	18.5	0.0078	17.17	$75,001	1.99%	$77,460	($2,459)
316	$306,801	-4.0%	($12,272)	$248,280	$70,793	18.5	0.0083	17.08	$4,145	1.35%	$4,554	($409)
Total	$39,227,420		($4,101,157)	$26,272,510	$17,056,067	18.5			$987,554		$1,063,365	($75,811)
SJRPP Coal Cars												
312	$2,725,310	-11.0%	($299,784)	$2,672,650	$352,444	18.5	0.0075	17.22	$20,467	0.75%	$19,878	$589
Total	$2,725,310		($299,784)	$2,672,650	$352,444	18.5			$20,467		$19,878	$589
SJRPP Common												
311	$43,483,249	-5.0%	($2,174,162)	$22,008,384	$23,649,027	18.5	0.0041	17.8	$1,328,597	3.06%	$1,329,160	($563)
312	$4,841,873	-11.0%	($532,606)	$2,114,111	$3,260,368	18.5	0.0075	17.22	$189,336	3.91%	$194,405	($5,069)
314	$3,464,477	0.0%	$0	$1,649,923	$1,814,554	18.5	0.0077	17.18	$105,620	3.05%	$111,178	($5,558)
315	$7,914,407	-12.0%	($949,729)	$4,659,423	$4,204,713	18.5	0.0078	17.17	$244,887	3.09%	$243,016	$1,871
316	$2,173,083	-4.0%	($86,923)	$1,463,580	$796,426	18.5	0.0083	17.08	$46,629	2.15%	$45,479	$1,150
Total	$61,877,089		($3,743,421)	$31,895,421	$33,725,089	18.5			$1,915,070		$1,923,238	($8,168)
SJRPP Gypsum & Ash												
311	$2,079,386	-5.0%	($103,969)	$1,437,419	$745,936	18.5	0.0041	17.8	$41,907	2.02%	$42,912	($1,005)
312	$17,574,970	-11.0%	($1,933,247)	$14,372,745	$5,135,472	18.5	0.0075	17.22	$298,227	1.70%	$321,134	($22,907)
315	$53,709	-12.0%	($6,445)	$32,364	$27,790	18.5	0.0078	17.17	$1,619	3.01%	$1,625	($6)
316	$112,764	-4.0%	($4,511)	$81,078	$36,197	18.5	0.0083	17.08	$2,119	1.88%	$2,333	($214)
Total	$19,820,829		($2,048,172)	$15,923,606	$5,945,395	18.5			$343,871		$368,004	($24,133)
SJRPP Unit 1												
311	$12,636,281	-5.0%	($631,814)	$6,330,456	$6,937,639	18.5	0.0041	17.8	$389,755	3.08%	$390,867	($1,112)
312	$100,097,129	-11.0%	($11,010,684)	$49,273,277	$61,834,536	18.5	0.0075	17.22	$3,590,856	3.59%	$3,721,876	($131,020)
314	$35,745,341	0.0%	$0	$15,820,181	$19,925,160	18.5	0.0077	17.18	$1,159,788	3.24%	$1,213,181	($53,393)
315	$15,979,993	-12.0%	($1,917,599)	$9,748,498	$8,149,094	18.5	0.0078	17.17	$474,612	2.97%	$468,881	$5,731
316	$2,799,432	-4.0%	($111,977)	$1,525,561	$1,385,848	18.5	0.0083	17.08	$81,139	2.90%	$82,574	($1,435)
Total	$167,258,176		($13,672,075)	$82,697,973	$98,232,278	18.5			$5,696,150		$5,877,379	($181,229)
SJRPP Unit 2												
311	$7,487,417	-5.0%	($374,371)	$4,920,104	$2,941,684	18.5	0.0041	17.8	$165,263	2.21%	$169,117	($3,854)
312	$65,614,711	-11.0%	($7,217,618)	$42,156,598	$30,675,731	18.5	0.0075	17.22	$1,781,401	2.71%	$1,924,591	($143,190)
314	$24,131,830	0.0%	$0	$14,806,356	$9,325,474	18.5	0.0077	17.18	$542,810	2.25%	$579,661	($36,851)
315	$9,798,705	-12.0%	($1,175,845)	$7,694,036	$3,280,514	18.5	0.0078	17.17	$191,061	1.95%	$197,046	($5,985)
316	$1,622,572	-4.0%	($64,903)	$1,132,958	$554,517	18.5	0.0083	17.08	$32,466	2.00%	$34,823	($2,357)
Total	$108,655,235		($8,832,737)	$70,710,052	$46,777,920	18.5			$2,713,001		$2,905,238	($192,237)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Total SJRPI	$399,564,059		($32,697,345)	$230,172,212	$202,089,192				$11,676,113		$12,157,102	($480,989)
Turkey Point Steam Plant												
Turkey Point Common												
311	$9,974,936	-5.0%	($498,747)	$8,508,390	$1,965,293	10.5	0.0041	10.27	$191,362	1.92%	$188,940	$2,422
312	$2,839,101	-11.0%	($312,301)	$1,662,708	$1,488,694	10.5	0.0075	10.09	$147,542	5.20%	$145,609	$1,933
314	$1,590,774	0.0%	$0	$1,113,631	$477,143	10.5	0.0077	10.08	$47,336	2.98%	$47,399	($63)
315	$3,671,052	-12.0%	($440,526)	$3,146,875	$964,703	10.5	0.0078	10.07	$95,800	2.61%	$93,777	$2,023
316	$1,169,610	-4.0%	($47,584)	$932,326	$304,868	10.5	0.0083	10.04	$30,365	2.55%	$29,629	$736
Total	$19,265,473		($1,299,159)	$15,363,930	$5,200,702	10.5			$512,405		$505,354	$7,051
Turkey Point Unit 1												
311	$2,269,026	-5.0%	($113,451)	$1,657,463	$725,014	10.5	0.0041	10.27	$70,595	3.11%	$70,186	$409
312	$71,130,814	-11.0%	($7,824,390)	$46,737,167	$32,218,037	10.5	0.0075	10.09	$3,193,066	4.49%	$3,175,700	$17,366
314	$25,082,846	0.0%	$0	$15,434,221	$9,648,625	10.5	0.0077	10.08	$957,205	3.82%	$964,711	($7,506)
315	$5,105,015	-12.0%	($612,602)	$2,992,130	$2,725,487	10.5	0.0078	10.07	$270,654	5.30%	$270,562	$92
316	$729,112	-4.0%	($29,164)	$484,001	$274,275	10.5	0.0083	10.04	$27,318	3.75%	$26,751	$567
Total	$104,316,813		($8,579,607)	$67,304,982	$45,591,438	10.5			$4,518,839		$4,507,910	$10,929
Turkey Point Unit 2												
311	$2,585,697	-5.0%	($129,285)	$1,848,067	$866,915	10.5	0.0041	10.27	$84,412	3.26%	$83,509	$903
312	$54,758,844	-11.0%	($6,023,473)	$32,817,674	$27,964,643	10.5	0.0075	10.09	$2,771,521	5.06%	$2,736,884	$34,637
314	$25,717,422	0.0%	$0	$12,610,713	$13,106,709	10.5	0.0077	10.08	$1,300,269	5.06%	$1,315,564	($15,295)
315	$8,029,283	-12.0%	($963,514)	$2,586,297	$6,406,500	10.5	0.0078	10.07	$636,197	7.92%	$625,087	$11,110
316	$401,764	-4.0%	($16,071)	$328,312	$89,523	10.5	0.0083	10.04	$8,917	2.22%	$9,385	($468)
Total	$91,493,010		($7,132,342)	$50,191,063	$48,434,289	10.5			$4,801,315		$4,770,429	$30,886
Total Turke	$215,075,296		($17,011,108)	$132,859,975	$99,226,429				$9,832,558		$9,783,693	$48,865
Steam	$3,036,663,361		($224,878,425)	$2,072,703,705	$1,188,838,081				$97,663,796		$99,476,072	($1,812,276)

NUCLEAR

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Nuclear Production Plant												
St. Lucie Nuclear Plant												
321	$343,585,840	0.0%	$0	$188,941,755	$154,644,085	30.5	0.0017	29.71	$5,205,119	1.51%	$7,397,355	($2,192,236)
322	$78,860,497	-4.0%	($3,154,420)	$27,134,974	$54,879,943	30.5	0.0044	28.45	$1,928,996	2.45%	$2,030,488	($101,492)
323	$673,278	0.0%	$0	$3,128,795	($2,455,517)	30.5	0.0088	26.41	($92,977)	-13.81%	$0	($92,977)
324	$31,186,353	-18.0%	($5,613,544)	$20,419,506	$16,380,391	30.5	0.0011	29.99	$546,195	1.75%	$684,826	($138,631)
325	$23,912,279	0.0%	$0	$13,085,814	$10,826,465	30.5	0.0027	29.24	$370,262	1.55%	$400,714	($30,452)
Total	$478,218,247		($8,767,963)	$252,710,844	$234,275,366				$7,957,596		$10,513,383	($2,555,787)
St. Lucie Unit 1												
321	$162,204,629	0.0%	$0	$95,748,242	$66,456,387	30.5	0.0017	29.71	$2,236,836	1.38%	$3,968,425	($1,731,589)
322	$484,411,228	-4.0%	($19,376,449)	$218,892,777	$284,894,900	30.5	0.0044	28.45	$10,013,880	2.07%	$12,486,836	($2,472,956)
323	$60,630,329	0.0%	$0	$46,868,841	$13,761,488	30.5	0.0088	26.41	$521,071	0.86%	$657,344	($136,273)
324	$78,893,831	-18.0%	($14,200,890)	$50,499,654	$42,595,067	30.5	0.0011	29.99	$1,420,309	1.80%	$2,137,453	($717,144)
325	$10,597,550	0.0%	$0	$8,460,696	$2,136,854	30.5	0.0027	29.24	$73,080	0.69%	$94,042	($20,962)
Total	$796,737,567		($33,577,339)	$420,470,210	$409,844,696				$14,265,176		$19,344,100	($5,078,924)
St. Lucie Nuclear Plant												
321	$252,865,619	0.0%	$0	$162,270,170	$90,595,449	30.5	0.0017	29.71	$3,049,325	1.21%	$5,094,733	($2,045,408)
322	$701,058,570	-4.0%	($28,042,343)	$286,627,567	$442,473,346	30.5	0.0044	28.45	$15,552,666	2.22%	$17,212,635	($1,659,969)
323	$81,377,496	0.0%	$0	$57,593,310	$23,784,186	30.5	0.0088	26.41	$900,575	1.11%	$1,276,398	($375,823)
324	$160,196,421	-18.0%	($28,835,356)	$99,173,648	$89,858,129	30.5	0.0011	29.99	$2,996,270	1.87%	$4,149,839	($1,153,569)
325	$20,747,433	0.0%	$0	$14,209,133	$6,538,300	30.5	0.0027	29.24	$223,608	1.08%	$244,194	($20,586)
Total	$1,216,245,539		($56,877,699)	$619,873,828	$653,249,410				$22,722,444		$27,977,799	($5,255,355)
Total St. Lu	$2,491,201,353		($99,223,001)	$1,293,054,882	$1,297,369,472				$44,945,216		$57,835,282	($12,890,066)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Turkey Point Nuclear Plant												
Turkey Point Common												
321	$280,753,503	0.0%	$0	$150,713,277	$130,040,226	23.5	0.0017	23.03	$5,646,558	2.01%	$6,337,601	($691,043)
322	$53,315,074	-4.0%	($2,132,603)	$29,938,630	$25,509,047	23.5	0.0044	22.29	$1,144,417	2.15%	$1,194,585	($50,168)
323	$21,037,774	0.0%	$0	$4,547,145	$16,490,629	23.5	0.0088	21.07	$782,659	3.72%	$809,137	($26,478)
324	$48,095,983	-18.0%	($8,657,277)	$29,249,282	$27,503,978	23.5	0.0011	23.2	$1,185,516	2.46%	$1,301,200	($115,684)
325	$27,575,932	0.0%	$0	$14,222,976	$13,352,956	23.5	0.0027	22.75	$586,943	2.13%	$600,175	($13,232)
Total	$430,778,266		($10,789,880)	$228,671,310	$212,896,836				$9,346,093		$10,242,698	($896,605)
Turkey Point Unit 3												
321	$51,568,821	0.0%	$0	$26,021,875	$25,546,746	23.5	0.0017	23.03	$1,109,281	2.15%	$1,376,031	($266,750)
322	$272,369,788	-4.0%	($10,894,792)	$148,765,102	$134,499,478	23.5	0.0044	22.29	$5,723,382	2.10%	$6,538,674	($815,292)
323	$41,927,456	0.0%	$0	$27,910,607	$14,016,849	23.5	0.0088	21.07	$596,462	1.42%	$848,191	($251,729)

	324	$97,160,938	-18.0%	($17,488,969)	$69,116,708	$45,533,199	23.5	0.0011	23.2	$1,937,583	1.99%	$2,395,375	($457,792)
	325	$2,722,122	0.0%	$0	$2,132,477	$589,645	23.5	0.0027	22.75	$25,091	0.92%	$28,495	($3,404)
Total		$465,748,925		($28,383,760)	$273,946,769	$220,185,916				$9,391,799		$11,186,766	($1,794,967)
Turkey Point Unit 4													
	321	$83,711,978	0.0%	$0	$38,231,060	$45,480,918	23.5	0.0017	23.03	$1,974,855	2.36%	$2,250,520	($275,665)
	322	$272,718,161	-4.0%	($10,908,726)	$143,701,832	$139,925,055	23.5	0.0044	22.29	$6,277,481	2.30%	$6,555,177	($277,696)
	323	$76,858,753	0.0%	$0	$46,357,990	$30,500,763	23.5	0.0088	21.07	$1,447,592	1.88%	$1,718,411	($270,819)
	324	$145,562,903	-18.0%	($26,201,323)	$94,298,628	$77,465,598	23.5	0.0011	23.2	$3,339,034	2.29%	$3,823,960	($484,926)
	325	$3,912,597	0.0%	$0	$2,915,692	$996,905	23.5	0.0027	22.75	$43,820	1.12%	$45,731	($1,911)
Total		$582,764,392		($37,110,049)	$325,505,202	$294,369,239				$13,082,783		$14,393,799	($1,311,016)
Total Turke		$1,479,291,583		($76,283,689)	$828,123,281	$727,451,991				$31,820,675		$35,823,263	($4,002,588)
Nuclear		$3,970,492,936		($175,506,690)	$2,121,178,163	$2,024,821,463				$76,765,891		$93,658,545	($16,892,654)

080677 Hearing Exhibits - 0001138

OPC 012020

OTHER PRODUCTION CC

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Lauderdale Combined Cycle Plant												
Lauderdale Common												
341	$74,718,137	-12.0%	($8,966,176)	$50,852,187	$32,832,126	10.5	0.0005	10.47	$3,135,829	4.20%	$3,889,663	($753,834)
342	$9,414,115	-3.0%	($282,423)	$5,588,631	$4,107,907	10.5	0.0045	10.25	$400,771	4.26%	$533,025	($132,254)
343	$35,523,207	-2.0%	$1,663,792	$4,724,080	$29,135,335	10.5	0.0015	10.42	$2,796,097	7.87%	$3,265,779	($469,682)
344	$1,646,834	-11.0%	($181,152)	$916,636	$911,350	10.5	0.0002	10.49	$86,878	5.28%	$146,478	($59,600)
345	$12,033,813	-3.0%	($361,014)	$7,746,021	$4,648,806	10.5	0.0001	10.49	$443,166	3.68%	$505,979	($62,813)
346	$930,984	0.0%	$0	$571,382	$359,602	10.5	0.001	10.44	$34,445	3.70%	$44,307	($9,862)
Total	$134,267,090		($8,126,974)	$70,398,937	$71,995,127	10.5			$6,897,186		$8,385,231	($1,488,045)
Lauderdale Unit 4												
341	$4,790,462	-12.0%	($574,855)	$4,026,215	$1,339,102	10.5	0.0005	10.47	$127,899	2.67%	$159,912	($32,013)
342	$665,939	-3.0%	($19,978)	$399,889	$286,028	10.5	0.0045	10.25	$27,905	4.19%	$33,408	($5,503)
343	$144,270,473	-2.0%	$246,186	$83,930,531	$60,093,756	10.5	0.0015	10.42	$5,767,155	4.00%	$5,996,444	($229,289)
344	$27,385,918	-11.0%	($3,012,451)	$15,841,475	$14,556,894	10.5	0.0002	10.49	$1,387,692	5.07%	$1,453,117	($65,425)
345	$27,691,585	-3.0%	($830,748)	$18,566,718	$9,955,615	10.5	0.0001	10.49	$949,058	3.43%	$1,074,731	($125,673)
346	$2,602,044	0.0%	$0	$1,902,133	$699,911	10.5	0.001	10.44	$67,041	2.58%	$93,627	($26,586)
Total	$207,406,421		($4,191,847)	$124,666,961	$86,931,307	10.5			$8,326,751		$8,811,239	($484,488)
					$0							
Lauderdale Unit 5												
341	$2,978,287	-12.0%	($357,394)	$2,163,032	$1,172,649	10.5	0.0005	10.47	$112,001	3.76%	$140,468	($28,467)
342	$665,779	-3.0%	($19,973)	$388,555	$297,197	10.5	0.0045	10.25	$28,995	4.36%	$34,488	($5,493)
343	$129,534,725	-2.0%	($390,941)	$72,370,213	$57,555,453	10.5	0.0015	10.42	$5,523,556	4.26%	$5,810,106	($286,550)
344	$29,242,014	-11.0%	($3,216,622)	$16,922,352	$15,536,284	10.5	0.0002	10.49	$1,481,057	5.06%	$1,544,312	($63,255)
345	$22,925,535	-3.0%	($687,766)	$15,692,247	$7,921,054	10.5	0.0001	10.49	$755,105	3.29%	$857,118	($102,013)
346	$1,767,721	0.0%	$0	$1,240,205	$527,516	10.5	0.001	10.44	$50,528	2.86%	$73,836	($23,307)
Total	$187,114,061		($4,672,696)	$108,776,604	$83,010,153	10.5			$7,951,242		$8,460,327	($509,085)
Total Laude	$528,787,572		($16,991,517)	$303,842,502	$241,936,587				$23,175,178		$25,656,797	($2,481,619)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Ft. Myers Cycle Plant												
Ft. Myers Common												
341	$6,239,915	-12.0%	($748,790)	$3,876,401	$3,112,304	18.5	0.0005	18.41	$169,055	2.71%	$1,200,043	($1,030,988)
342	$791,798	-3.0%	($23,754)	$701,717	$113,835	18.5	0.0045	17.73	$6,420	0.81%	$8,726	($2,306)
343	$65,228,776	-2.0%	$2,889,442	$8,568,229	$53,771,105	18.5	0.0015	18.24	$2,947,977	4.52%	$3,909,033	($961,056)
344	$8,985	-11.0%	($986)	($963)	$10,934	18.5	0.0002	18.47	$592	6.60%	$1,315	($723)
345	$129,090	-3.0%	($3,873)	($93,693)	$226,656	18.5	0.0001	18.48	$12,265	9.50%	$134,114	($121,849)
346	$549,339	0.0%	$0	$464,100	$85,239	18.5	0.001	18.33	$4,650	0.85%	$5,777	($1,127)

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Total	$72,947,883		$2,112,040	$13,515,771	$57,320,072	18.5			$3,140,960		$5,259,008	($2,118,048)
Ft. Myers Unit 2												
341	$24,646,981	-12.0%	($2,957,638)	$9,294,651	$18,309,968	18.5	0.0005	18.41	$994,566	4.04%	$1,162,475	($167,909)
342	$6,389,579	-3.0%	($191,687)	$1,882,844	$4,698,422	18.5	0.0045	17.73	$264,998	4.15%	$362,062	($97,064)
343	$372,701,340	-2.0%	($619,149)	$80,959,040	$292,361,449	18.5	0.0015	18.24	$16,028,588	4.30%	$17,699,535	($1,670,947)
344	$40,107,032	-11.0%	($4,411,774)	$11,698,164	$32,820,642	18.5	0.0002	18.47	$1,776,970	4.43%	$2,172,385	($395,415)
345	$51,228,656	-3.0%	($1,536,860)	$18,844,162	$33,921,354	18.5	0.0001	18.48	$1,835,571	3.58%	$2,031,929	($196,358)
346	$3,111,202	0.0%	$0	$875,951	$2,235,251	18.5	0.001	18.33	$121,945	3.92%	$166,767	($44,822)
Total	$498,184,790		($9,717,107)	$123,554,812	$384,347,085	18.5			$21,022,639		$23,595,153	($2,572,514)
Ft. Myers Unit 3												
341	$2,971,874	-12.0%	($356,625)	$451,954	$2,876,545	18.5	0.0005	18.41	$156,249	5.26%	$166,583	($10,334)
342	$3,896,617	-3.0%	($116,899)	$753,381	$3,260,135	18.5	0.0045	17.73	$183,877	4.72%	$220,051	($36,174)
343	$74,167,566	-2.0%	$1,960,910	$4,907,365	$67,299,291	18.5	0.0015	18.24	$3,689,654	4.97%	$4,571,043	($881,389)
344	$13,759,002	-11.0%	($1,513,490)	$1,935,596	$13,336,896	18.5	0.0002	18.47	$722,084	5.25%	$731,641	($9,557)
345	$9,683,556	-3.0%	($290,507)	$1,821,193	$8,152,870	18.5	0.0001	18.48	$441,173	4.56%	$469,436	($28,263)
346	$481,988	0.0%	$0	$72,428	$409,560	18.5	0.001	18.33	$22,344	4.64%	$27,031	($4,687)
Total	$104,960,603		($316,611)	$9,941,917	$95,335,297	18.5			$5,215,380		$6,185,785	($970,405)
Total Ft. My	$676,093,276		($316,611)	$147,012,500	$537,002,454				$29,378,980		$35,039,946	($5,660,966)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Manatee Combined Cycle Plant												
Manatee Unit 3												
341	$29,469,798	-12.0%	($3,536,376)	$6,281,544	$26,724,630	20.5	0.0005	20.39	$1,310,673	4.45%	$1,392,070	($81,397)
342	$4,590,462	-3.0%	($137,714)	$1,947,711	$2,780,465	20.5	0.0045	19.55	$142,223	3.10%	$167,418	($25,195)
343	$322,367,885	-2.0%	$69,009	$24,615,580	$297,683,296	20.5	0.0015	20.18	$14,751,402	4.58%	$16,827,424	($2,076,022)
344	$42,301,618	-11.0%	($4,653,178)	$5,849,399	$41,105,397	20.5	0.0002	20.46	$2,009,061	4.75%	$2,033,100	($24,039)
345	$45,805,658	-3.0%	($1,374,170)	$13,587,157	$33,592,671	20.5	0.0001	20.48	$1,640,267	3.58%	$1,734,115	($93,848)
346	$11,065,051	0.0%	$0	$4,334,772	$6,730,279	20.5	0.001	20.29	$331,704	3.00%	$396,832	($65,128)
Total	$455,600,472		($9,632,428)	$56,616,163	$408,616,737	20.5			$20,185,332		$22,550,959	($2,365,627)
Total Ft. My	$455,600,472		($9,632,428)	$56,616,163	$408,616,737				$20,185,332		$22,550,959	($2,365,627)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Martin Combined Cycle Plant												
Martin Common												
341	$42,702,563	-12.0%	($5,124,308)	$29,835,777	$17,991,094	10.5	0.0005	10.47	$1,718,347	4.02%	$2,017,356	($299,009)
342	$4,060,727	-3.0%	($121,822)	$2,525,715	$1,656,834	10.5	0.0045	10.25	$161,642	3.98%	$208,532	($46,890)
343	$19,947,437	-2.0%	$7,386	$17,039,769	$2,900,282	10.5	0.0015	10.42	$278,338	1.40%	$326,989	($48,651)
345	$4,854,959	-3.0%	($145,649)	$3,221,098	$1,779,510	10.5	0.0001	10.49	$169,639	3.49%	$188,040	($18,401)

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	346	$4,094,951	0.0%	$0	$3,513,934	$581,017	10.5	0.001	10.44	$55,653	1.36%	$71,146	($15,493)
Total		$75,660,637		($5,384,392)	$56,136,293	$24,908,736	10.5			$2,383,619		$2,812,063	($428,444)
Martin Pipeline													
	342	$13,328,900	-3.0%	($399,867)	$13,292,886	$435,881	10.5	0.0045	10.25	$42,525	0.32%	$61,055	($18,530)
Total		$13,328,900		($399,867)	$13,292,886	$435,881	10.5			$42,525		$61,055	($18,530)
Martin Unit 3													
	341	$1,605,301	-12.0%	($192,636)	$926,983	$870,954	10.5	0.0005	10.47	$83,186	5.18%	$96,821	($13,635)
	342	$170,896	-3.0%	($5,127)	$99,346	$76,677	10.5	0.0045	10.25	$7,481	4.38%	$10,150	($2,669)
	343	$166,838,305	-2.0%	($875,870)	$90,011,193	$77,702,982	10.5	0.0015	10.42	$7,457,100	4.47%	$7,865,847	($408,747)
	344	$20,771,119	-11.0%	($2,284,823)	$9,557,237	$13,498,705	10.5	0.0002	10.49	$1,286,817	6.20%	$1,326,415	($39,598)
	345	$25,965,635	-3.0%	($778,969)	$18,422,527	$8,322,077	10.5	0.0001	10.49	$793,334	3.06%	$878,551	($85,217)
	346	$544,629	0.0%	$0	$310,279	$234,350	10.5	0.001	10.44	$22,447	4.12%	$32,413	($9,966)
Total		$215,895,885		($4,137,425)	$119,327,565	$100,705,745	10.5			$9,650,365		$10,210,197	($559,832)
Martin Unit 4													
	341	$1,275,326	-12.0%	($153,039)	$666,386	$761,979	10.5	0.0005	10.47	$72,777	5.71%	$86,609	($13,832)
	342	$170,507	-3.0%	($5,115)	$89,093	$86,529	10.5	0.0045	10.25	$8,442	4.95%	$11,477	($3,035)
	343	$179,942,423	-2.0%	($860,359)	$86,401,865	$94,400,917	10.5	0.0015	10.42	$9,059,589	5.03%	$9,458,517	($398,928)
	344	$29,820,193	-11.0%	($3,280,221)	$11,636,365	$21,464,049	10.5	0.0002	10.49	$2,046,144	6.86%	$2,092,123	($45,979)
	345	$24,224,816	-3.0%	($726,744)	$16,519,213	$8,432,347	10.5	0.0001	10.49	$803,846	3.32%	$885,665	($81,819)
	346	$487,415	0.0%	$0	$250,911	$236,504	10.5	0.001	10.44	$22,654	4.65%	$32,787	($10,133)
Total		$235,920,680		($5,025,480)	$115,563,833	$125,382,327	10.5			$12,013,452		$12,567,178	($553,726)
Martin Unit 8													
	341	$23,380,329	-12.0%	($2,805,639)	$4,305,227	$21,880,741	20.5	0.0005	20.39	$1,073,111	4.59%	$1,159,586	($86,475)
	342	$11,051,816	-3.0%	($331,554)	$2,372,256	$9,011,114	20.5	0.0045	19.55	$460,927	4.17%	$568,548	($107,621)
	343	$328,996,497	-2.0%	$128,252	$53,780,305	$275,087,940	20.5	0.0015	20.18	$13,631,712	4.14%	$15,442,602	($1,810,890)
	344	$40,363,598	-11.0%	($4,439,996)	$6,565,908	$38,237,686	20.5	0.0002	20.46	$1,868,900	4.63%	$1,912,307	($43,407)
	345	$52,690,040	-3.0%	($1,580,701)	$18,050,616	$36,220,125	20.5	0.0001	20.48	$1,768,561	3.36%	$1,900,662	($132,101)
	346	$4,345,319	0.0%	$0	$3,585,699	$759,620	20.5	0.001	20.29	$37,438	0.86%	$44,110	($6,672)
Total		$460,827,599		($9,029,639)	$88,660,011	$381,197,227	20.5			$18,840,648		$21,027,815	($2,187,167)
Total Martin		$1,001,633,701		($9,029,639)	$392,980,588	$632,629,916				$42,930,609		$46,678,308	($3,747,699)

		Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Putnam Combined Cycle Plant													
Putnam Common													
	341	$12,728,938	-12.0%	($1,527,473)	$9,449,327	$4,807,084	10.5	0.0005	10.47	$459,129	3.61%	$2,414,572	($1,955,443)
	342	$11,435,670	-3.0%	($343,070)	$8,470,029	$3,308,711	10.5	0.0045	10.25	$322,801	2.82%	$339,209	($16,408)
	343	$20,146,555	-2.0%	$419,458	$11,834,606	$7,892,491	10.5	0.0015	10.42	$757,437	3.76%	$840,832	($83,395)
	344	$170,569	-11.0%	($18,763)	$47,851	$141,481	10.5	0.0002	10.49	$13,487	7.91%	$13,712	($225)
	345	$1,523,346	-3.0%	($45,700)	$1,111,862	$457,184	10.5	0.0001	10.49	$43,583	2.86%	$95,007	($51,424)
	346	$1,440,520	0.0%	$0	$981,618	$458,902	10.5	0.001	10.44	$43,956	3.05%	$102,062	($58,106)

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Total	$47,445,598		($1,515,548)	$31,895,293	$17,065,853	10.5			$1,640,393		$3,805,394	($2,165,001)
Putnam Unit 1												
341	$38,546	-12.0%	($4,626)	$31,993	$11,179	10.5	0.0005	10.47	$1,068	2.77%	$6,832	($5,764)
342	$68,736	-3.0%	($2,062)	$56,084	$14,714	10.5	0.0045	10.25	$1,436	2.09%	$2,499	($1,063)
343	$61,302,516	-2.0%	$938,571	$42,334,924	$18,029,021	10.5	0.0015	10.42	$1,730,232	2.82%	$1,859,389	($129,157)
344	$7,708,123	-11.0%	($847,894)	$5,576,593	$2,979,424	10.5	0.0002	10.49	$284,025	3.68%	$488,792	($204,767)
345	$7,159,774	-3.0%	($214,793)	$5,892,353	$1,482,214	10.5	0.0001	10.49	$141,298	1.97%	$237,861	($96,563)
346	$407,803	0.0%	$0	$332,744	$75,059	10.5	0.001	10.44	$7,190	1.76%	$31,836	($24,646)
Total	$76,685,498		($130,804)	$54,224,691	$22,591,611	10.5			$2,165,248		$2,627,209	($461,961)
Putnam Unit 2												
341	$38,546	-12.0%	($4,626)	$27,826	$15,346	10.5	0.0005	10.47	$1,466	3.80%	$10,964	($9,498)
342	$68,672	-3.0%	($2,060)	$48,851	$21,881	10.5	0.0045	10.25	$2,135	3.11%	$4,935	($2,800)
343	$59,896,463	-2.0%	($12,659)	$39,499,582	$20,409,540	10.5	0.0015	10.42	$1,958,689	3.27%	$2,078,665	($119,976)
344	$7,979,237	-11.0%	($877,716)	$6,074,669	$2,782,284	10.5	0.0002	10.49	$265,232	3.32%	$368,010	($102,778)
345	$7,332,410	-3.0%	($219,972)	$5,184,098	$2,368,284	10.5	0.0001	10.49	$225,766	3.08%	$581,068	($355,302)
346	$392,093	0.0%	$0	$278,918	$113,175	10.5	0.001	10.44	$10,841	2.76%	$68,668	($57,827)
Total	$75,707,421		($1,117,033)	$51,113,944	$25,710,510	10.5			$2,464,128		$3,112,310	($648,182)
Total Putna	$199,838,517		($1,117,033)	$137,233,928	$65,367,974				$6,269,769		$9,544,913	($3,275,144)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Sanford Combined Cycle Plant												
Sanford Common												
341	$60,722,293	-12.0%	($7,286,675)	$25,257,552	$42,751,416	18.5	0.0005	18.41	$2,322,184	3.82%	$3,840,276	($1,518,092)
342	$86,458	-3.0%	($2,594)	$59,142	$29,910	18.5	0.0045	17.73	$1,687	1.95%	$2,104	($417)
343	$9,672,403	-2.0%	$56,984	$14,848,670	($5,233,251)	18.5	0.0015	18.24	($286,911)	-2.97%	$0	($286,911)
345	$1,165,661	-3.0%	($34,970)	$739,852	$460,779	18.5	0.0001	18.48	$24,934	2.14%	$26,706	($1,772)
346	$1,612,112	0.0%	$0	$905,341	$706,771	18.5	0.001	18.33	$38,558	2.39%	$45,407	($6,849)
Total	$73,258,927		($7,267,255)	$41,810,557	$38,715,625	18.5			$2,100,453		$3,914,493	($1,814,040)
Sanford Unit 4												
341	$7,273,005	-12.0%	($872,761)	$3,129,303	$5,016,463	18.5	0.0005	18.41	$272,486	3.75%	$320,566	($48,080)
342	$1,754,676	-3.0%	($52,640)	$564,066	$1,243,250	18.5	0.0045	17.73	$70,121	4.00%	$84,423	($14,302)
343	$274,509,559	-2.0%	$3,790,592	$53,940,671	$216,778,296	18.5	0.0015	18.24	$11,884,775	4.33%	$14,065,881	($2,181,106)
344	$28,084,480	-11.0%	($3,089,293)	$5,550,264	$25,623,509	18.5	0.0002	18.47	$1,387,304	4.94%	$2,327,577	($940,273)
345	$33,206,417	-3.0%	($996,193)	$12,453,807	$21,748,803	18.5	0.0001	18.48	$1,176,883	3.54%	$1,255,924	($79,041)
346	$3,248,040	0.0%	$0	$1,121,261	$2,126,779	18.5	0.001	18.33	$116,027	3.57%	$141,172	($25,145)
Total	$348,076,177		($1,220,294)	$76,759,372	$272,537,099	18.5			$14,907,597		$18,195,543	($3,287,946)
Sanford Unit 5												
341	$6,858,890	-12.0%	($823,067)	$1,694,577	$5,987,380	17.5	0.0005	17.42	$343,707	5.01%	$382,994	($39,287)
342	$1,765,435	-3.0%	($52,963)	$429,358	$1,389,040	17.5	0.0045	16.81	$82,632	4.68%	$100,556	($17,924)
343	$254,614,619	-2.0%	($691,854)	$58,741,579	$196,564,894	17.5	0.0015	17.27	$11,381,870	4.47%	$12,422,282	($1,040,412)

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
344	$30,030,624	-11.0%	($3,303,369)	$7,303,520	$26,030,473	17.5	0.0002	17.47	$1,490,010	4.96%	$2,342,756	($852,746)
345	$33,483,343	-3.0%	($1,004,500)	$9,125,661	$25,362,182	17.5	0.0001	17.48	$1,450,926	4.33%	$1,913,123	($462,197)
346	$2,758,184	0.0%	$0	$670,798	$2,087,386	17.5	0.001	17.35	$120,310	4.36%	$156,776	($36,466)
Total	$329,511,095		($5,875,753)	$77,965,493	$257,421,355	17.5			$14,869,455		$17,318,487	($2,449,032)
Total Sanfo	$750,846,199		($5,875,753)	$196,535,422	$568,674,079				$31,877,505		$39,428,523	($7,551,018)
Turkey Point Combined Cycle Plant												
Turkey Point Unit 5												
341	$65,601,654	-12.0%	($7,872,198)	$7,133,546	$66,340,306	22.5	0.0005	22.37	$2,965,593	4.52%	$3,132,788	($167,195)
342	$12,540,827	-3.0%	($376,225)	$1,363,606	$11,553,446	22.5	0.0045	21.36	$540,892	4.31%	$625,544	($84,652)
343	$373,736,762	-2.0%	$14,775,518	$53,233,814	$305,727,430	22.5	0.0015	22.12	$13,821,312	3.70%	$19,241,595	($5,420,283)
344	$3,030,799	-11.0%	($333,388)	$321,374	$3,042,813	22.5	0.0002	22.45	$135,537	4.47%	$136,991	($1,454)
345	$38,642,181	-3.0%	($1,159,265)	$5,401,892	$34,399,554	22.5	0.0001	22.47	$1,530,910	3.96%	$1,612,748	($81,838)
346	$10,033,608	0.0%	$0	$1,871,815	$8,161,793	22.5	0.001	22.25	$366,822	3.66%	$430,137	($63,315)
Total	$503,585,831		$5,034,441	$69,326,047	$429,225,343	22.5			$19,361,066		$25,179,803	($5,818,737)
Total Turkey	$503,585,831		$5,034,441	$69,326,047	$429,225,343				$19,361,066		$25,179,803	($5,818,737)
Total CC	$4,116,385,568		($37,928,540)	$1,303,547,150	$2,883,453,089				$173,178,439		$204,079,249	($30,900,810)

OTHER PRODUCTION GTS

	Balance 12/31/2009	%	Net Salvage Amount	Reserve 12/31/2009	Unrecovered Balance	Unadjusted Rem. Life	Interim Ret. Rate	Adjusted Rem. Life	Annual Accrual	Accrual Rate	FPL Request	OPC Adjustment
Gas Turbines												
Lauderdale GTs												
341	$5,855,526	-12.0%	($702,663)	$5,275,911	$1,282,278	10.5	0.0005	10.47	$122,472	2.09%	$134,551	($12,079)
342	$2,028,370	-3.0%	($60,851)	$2,169,355	($80,134)	10.5	0.0045	10.25	($7,818)	-0.39%	$0	($7,818)
343	$45,124,101	-2.0%	($197,791)	$40,099,576	$5,222,316	10.5	0.0015	10.42	$501,182	1.11%	$657,712	($156,530)
344	$17,811,067	-11.0%	($1,959,217)	$16,254,071	$3,516,213	10.5	0.0002	10.49	$335,197	1.88%	$2,744,747	($2,409,550)
345	$4,596,633	-3.0%	($137,899)	$4,240,719	$493,813	10.5	0.0001	10.49	$47,075	1.02%	$48,889	($1,814)
346	$234,584	0.0%	$0	$213,624	$20,960	10.5	0.001	10.44	$2,008	0.86%	$6,329	($4,321)
Total	$75,650,281		($3,058,422)	$68,253,256	$10,455,447	10.5			$1,000,115		$3,592,228	($2,592,113)
Ft. Myers GTs												
341	$4,027,168	-12.0%	($483,260)	$3,477,292	$1,033,136	10.5	0.0005	10.47	$98,676	2.45%	$385,582	($286,906)
342	$3,232,602	-3.0%	($96,978)	$3,185,872	$143,708	10.5	0.0045	10.25	$14,020	0.43%	$13,970	$50
343	$46,543,314	-2.0%	($86,080)	$34,733,846	$11,895,548	10.5	0.0015	10.42	$1,141,607	2.45%	$1,266,616	($125,009)
344	$21,981,629	-11.0%	($2,417,979)	$15,865,315	$8,534,293	10.5	0.0002	10.49	$813,565	3.70%	$2,394,321	($1,580,756)
345	$14,207,743	-3.0%	($426,232)	$5,166,929	$9,467,046	10.5	0.0001	10.49	$902,483	6.35%	$1,244,851	($342,368)
346	$91,395	0.0%	$0	$78,920	$12,475	10.5	0.001	10.44	$1,195	1.31%	$4,967	($3,772)
Total	$90,083,851		($3,510,530)	$62,508,174	$31,086,207	10.5			$2,971,546		$5,310,307	($2,338,761)
Pt. Everglades GT's												
341	$3,986,996	-12.0%	($478,440)	$3,293,313	$1,172,123	10.5	0.0005	10.47	$111,951	2.81%	$119,911	($7,960)
342	$9,942,862	-3.0%	($298,286)	$10,230,715	$10,433	10.5	0.0045	10.25	$1,018	0.01%	$1,011	$7
343	$21,133,092	-2.0%	$161,015	$16,467,969	$4,504,108	10.5	0.0015	10.42	$432,256	2.05%	$452,491	($20,235)
344	$11,374,968	-11.0%	($1,251,246)	$10,068,397	$2,557,817	10.5	0.0002	10.49	$243,834	2.14%	$592,241	($348,407)
345	$3,411,445	-3.0%	($102,343)	$2,878,758	$635,030	10.5	0.0001	10.49	$60,537	1.77%	$62,510	($1,973)
346	$95,330	0.0%	$0	$78,262	$17,068	10.5	0.001	10.44	$1,635	1.71%	$2,524	($889)
Total	$49,944,693		($1,969,300)	$43,017,414	$8,896,579	10.5			$851,230		$1,230,688	($379,458)
Total Gas T	$215,678,825		($1,969,300)	$173,778,844	$50,438,233				$4,822,891		$10,133,223	($5,310,332)

080677 Hearing Exhibits - 0001144

OPC 012026

CALCUALATION OF INTERIM RETIREMENT NET SALVAGE % AND IMPACT
OPC NET SALVAGE

	311	312	314	315	316	Total	
Cutler Common	5973901	817291	1234614	1058634	627886	9712326	
Cutler 5	423784	5530327	5999465	2340096	233543	14527215	
Cutler 6	412315	17878953	8588788	3055523	123506	30059085	54298626
Manatee Common	96350477	2032783	11281165	9282558	2505571	121452554	
Manatee 1	7311443	125082972	64713219	10668482	3065530	210841646	
Manatee 2	5286225	116916975	61991571	7832693	2217093	194244557	526538757
Martin Common	236118421	4159551	26277902	7648705	2788671	276993250	
Martin Pipeline		370940				370940	
Martin 1	15381834	138526135	76392977	20097362	2580596	252978904	
Martin 2	11123219	143922027	62777097	17891013	2200607	237913963	768257057
Pt Everglades Cm	24463219	2831767	4830537	6006107	2005034	40136664	
Pt. Everglades 1	1840592	34942212	17391669	7962611	503103	62640187	
Pt. Everglades 2	1732046	39657434	17170811	9508129	549842	68618262	
Pt. Everglades 3	5811192	78802927	25278630	13169884	402449	123465082	
Pt. Everglades 4	787559	97124127	23073436	15289269	172080	136446471	431306666
Sanford 3	4701046	10679201	13119005	4585245	399034	33483531	
Schere Coal Car		34174990				34174990	
Schere Common	38262666	21879850	4044832	1235563	3160922	68583833	
Schere Cm 3 & 4	2955496	17081036	335873	292934		20665339	
Schere 4 1989	64076617	276755766	116669482	22875511	4337834	484715210	608139372
SJRPP Coal/Lm	3835845	31307987		3776787	306801	39227420	
SJRPP Coal Cars		2725310				2725310	
SJRPP Common	43483249	4841873	3464477	7914407	2173083	61877089	
SJRPP Gypsum	2079386	17574970		53709	112764	19820829	
SJRPP 1	12636281	100097129	35745341	15979993	2799432	167258176	
SJRPP 2	7487417	65614711	24131830	9798705	1622572	108655235	399564059
Turkey Pt Common	9974936	2839101	1590774	3671052	1189610	19265473	
Turkey Pt 1	2269026	71130814	25082846	5105015	729112	104316813	
Turkey Pt 2	2585697	54758844	25717422	8029283	401764	91493010	215075296
Total	607363889	1520058003	656903763	215129270	37208439	3036663364	
10.5 Yr Rem Life prt	432546932	948004361	472511928	153201661	22695031	2028959933	
IRR	0.0041	0.0075	0.0077	0.0078	0.0083		
IRR %	0.04305	0.07875	0.08085	0.0819	0.08715		
IRR $	18621145.4	74655345	38202589.4	12547216	1977871.95		
2028							
SJRPP Coal/Lm	3835845	31307987		3776787	306801	39227420	
SJRPP Coal Cars		2725310				2725310	
SJRPP Common	43483249	4841873	3464477	7914407	2173083	61877089	
SJRPP Gypsum	2079386	17574970		53709	112764	19820829	
SJRPP 1	12636281	100097129	35745341	15979993	2799432	167258176	
SJRPP 2	7487417	65614711	24131830	9798705	1622572	108655235	399564059
18.5 Yr Rem Life prt	69522178	222161980	63341648	37523601	7014652	399564059	
IRR	0.0041	0.0075	0.0077	0.0078	0.0083		
IRR %	0.07585	0.13875	0.14245	0.1443	0.15355		
IRR $	5273257.2	30824974.7	9023017.76	5414655.62	1077099.81		
2029							
Schere Coal Car		34174990				34174990	
Schere Common	38262666	21879850	4044832	1235563	3160922	68583833	
Schere Cm 3 & 4	2955496	17081036	335873	292934		20665339	
Schere 4 1989	64076617	276755766	116669482	22875511	4337834	484715210	608139372
19.5 Yr Rem Life prt	105294779	349891642	121050187	24404008	7498756	608139372	
IRR	0.0041	0.0075	0.0077	0.0078	0.0083		
IRR %	0.07995	0.14625	0.15015	0.1521	0.16185		
IRR $	8418317.56	51171652.6	18175685.6	3711849.62	1213673.66		
Total IRR $	32312720.2	156651972	65401292.7	21673721.3	4268645.42	280308352	
Total IRR %	0.05320158	0.10305658	0.09955993	0.10074743	0.11472251		
OPC Net Salvage	-0.05	-0.15	0.1	-0.2	-0.05		
IRR Net Salvage %	-0.0026601	-0.0154585	0.00995599	-0.0201495	-0.0057361		
FPL IRR Retirement	0.6482	0.2727	0.3359	0.4004	0.2727	0.37052232	
FPL IRR Retirement	393693273	414519817	220653974	86137759.7	10146741.3	1125151565	

OPC 012028

CALCUALATION OF INTERIM RETIREMENT NET SALVAGE % AND IMPACT
OPC NET SALVAGE WITH COAL = 60 YRS & MANATEE & MARTIN = 50 YRS

	311	312	314	315	316	Total	
Cutler Common	5973901	817291	1234614	1058634	627886	9712326	
Cutler 5	423784	5530327	5999465	2340096	233543	14527215	
Cutler 6	412315	17878953	8566788	3055523	123506	30059085	54298626
Manatee Common	96350477	2032783	11281165	9282558	2505571	121452554	
Manatee 1	7311443	125082972	64713219	10668482	3065530	210841646	
Manatee 2	5286225	116916975	61991571	7832693	2217093	194244557	526538757
Martin Common	236118421	4159551	26277902	7648705	2788671	276993250	
Martin Pipeline		370940				370940	
Martin 1	15381834	138526135	76392977	20097362	2580596	252978904	
Martin 2	11123219	143922027	62777097	17891013	2200607	237913963	768257057
Pt Everglades Cm	24463219	2831767	4830537	6006107	2005034	40136664	
Pt. Everglades 1	1840592	34942212	17391669	7962611	503103	62640187	
Pt. Everglades 2	1732046	39657434	17170811	9508129	549842	68618262	
Pt. Everglades 3	5811192	78802927	25278630	13169884	402449	123465082	
Pt. Everglades 4	787559	97124127	23073436	15289269	172080	136446471	431306666
Sanford 3	4701046	10679201	13119005	4585245	399034	33483531	
Schere Coal Car		34174990				34174990	
Schere Common	38262666	21879850	4044832	1235563	3160922	68583833	
Schere Cm 3 & 4	2955496	17081036	335873	292934		20665339	
Schere 4 1989	64076617	276755766	116669482	22875511	4337834	484715210	608139372
SJRPP Coal/Lm	3835845	31307987		3776787	306801	39227420	
SJRPP Coal Cars		2725310				2725310	
SJRPP Common	43483249	4841873	3464477	7914407	2173083	61877089	
SJRPP Gypsum	2079386	17574970		53709	112764	19820829	
SJRPP 1	12636281	100097129	35745341	15978993	2799432	167258176	
SJRPP 2	7487417	65614711	24131830	9798705	1622572	108655235	399564059
Turkey Pt Common	9974936	2839101	1590774	3671052	1189610	19265473	
Turkey Pt 1	2269026	71130814	25082846	5105015	729112	104316813	
Turkey Pt 2	2585697	54758844	25717422	8029283	401764	91493010	215075296
Total	$607,363,889	$1,520,058,003	$656,903,763	$215,129,270	$37,208,439	$3,036,663,364	
10.5 Yr Rem Life prt	$60,975,313	$416,992,998	$169,077,997	$79,780,848	$7,336,963	$734,164,119	
IRR	0.41%	0.75%	0.77%	0.78%	0.83%		
IRR %	4.31%	7.88%	8.09%	8.19%	8.72%		
IRR $	$2,624,987	$32,838,199	$13,669,956	$6,534,051	$639,416		
2027							
Manatee 17.5 Yr RL	$108,948,145	$244,032,730	$137,985,955	$27,763,733	$7,788,194	$526,538,757	
IRR	0.41%	0.75%	0.77%	0.78%	0.83%		
IRR %	7.18%	13.13%	13.48%	13.65%	14.53%		
IRR $	$7,817,029	$32,029,296	$18,593,607	$3,792,480	$1,131,235		
2031							
Manatee 21.5 Yr RL	$262,623,474	$286,978,653	$165,447,976	$45,637,080	$7,569,874	$768,257,057	
IRR	0.41%	0.75%	0.77%	0.78%	0.83%		
IRR %	7.18%	13.13%	13.48%	13.65%	14.53%		
IRR $	$18,843,234	$37,665,948	$22,294,115	$6,229,461	$1,099,524		
2047							
SJRPP 37.5 Yr RL	$69,522,178	$222,161,980	$63,341,648	$37,523,601	$7,014,652	$399,564,059	
IRR	0.41%	0.75%	0.77%	0.78%	0.83%		
IRR %	15.38%	28.13%	28.88%	29.25%	31.13%		
IRR $	$10,689,035	$62,483,057	$18,289,901	$10,975,653	$2,183,310		
2049							
Schere 39.5 Yr RL	$105,294,779	$349,891,642	$121,050,187	$24,404,008	$7,498,756	$608,139,372	
IRR	0.41%	0.75%	0.77%	0.78%	0.83%		
IRR %	16.20%	29.63%	30.42%	30.81%	32.79%		
IRR $	$17,052,489	$103,655,399	$36,817,414	$7,518,875	$2,458,467		
Total IRR $	$57,026,775	$268,671,898	$109,664,993	$35,050,521	$7,511,953	$477,926,141	
Total IRR %	9.39%	17.68%	16.69%	16.29%	20.19%		
OPC Net Salvage	-5.00%	-15.00%	10.00%	-20.00%	-5.00%		
IRR Net Salvage %	-0.47%	-2.65%	1.67%	-3.26%	-1.01%		
FPL IRR Retirement	64.82%	27.27%	33.59%	40.04%	27.27%	37.05%	[illegible]d 12
FPL IRR Retirement	393693272.8	414519817.4181	220653974	86137759.71	10146741.3	1125151565.283	

OPC 012029

CALCUALATION OF INTERIM RETIREMENT NET SALVAGE % AND IMPACT
USING fpl IR LEVELS

	321	322	323	324	325	Total
St Lucie Common	$343,585,840	$78,860,497	$673,278	$31,186,353	$23,912,279	$478,218,247
IRR	0.0017	0.0044	0.0088	0.0011	0.0027	
IRR %	0.05185	0.1342	0.2684	0.03355	0.08235	
IRR $	$17,814,926	$10,583,079	$180,708	$1,046,302	$1,969,176	
St Lucie 1	162204629	484411228	60630329	78893831	10597550	796737567
IRR	0.0017	0.0044	0.0088	0.0011	0.0027	
IRR %	0.04505	0.1166	0.2332	0.02915	0.07155	
IRR $	7307318.53645	56482349.1848	14138992.72	2299755.174	758254.703	
St Lucie 2	252865619	701058570	81377496	160196421	20747433	1216245539
	758656088	1264330295	142681103	270276605	55257262	2491201353
IRR	0.0017	0.0044	0.0088	0.0011	0.0027	
IRR %	0.05695	0.1474	0.2948	0.03685	0.09045	
IRR $	14400697.00205	103336033.218	23990085.82	5903238.114	1876605.31	
Turkey Pt Common	$280,753,503	$53,315,074	$21,037,774	$48,095,983	$27,575,932	$430,778,266
Turkey Pt 3	$51,568,621	$272,369,788	$41,927,456	$97,160,938	$2,722,122	$465,748,925
Turkey Pt 4	$83,711,978	$272,718,161	$76,858,753	$145,562,903	$3,912,597	$582,764,392
Total	$416,034,102	$598,403,023	$139,823,983	$290,819,824	$34,210,651	$1,479,291,583
23.5 Yr Rem Life	$364,465,481	$326,033,235	$97,896,527	$193,658,886	$31,488,529	
IRR	0.0017	0.0044	0.0088	0.0011	0.0027	
IRR %	0.03995	0.1034	0.2068	0.02585	0.06345	
IRR $	$14,560,396	$33,711,836	$20,245,002	$5,006,082	$1,997,947	
22.5 Yr Rem Life	$51,568,621	$272,369,788	$41,927,456	$97,160,938	$2,722,122	$465,748,925
IRR	0.17%	0.44%	0.88%	0.11%	0.27%	
IRR %	3.83%	9.90%	19.80%	2.48%	6.08%	
IRR $	$1,972,500	$26,964,609	$8,301,636	$2,404,733	$165,369	
Combined Nuclear	$56,055,837	$231,077,907	$66,856,424	$16,660,111	$6,767,352	
	$1,174,690,190	$1,862,733,318	$282,505,086	$561,096,429	$89,467,913	
IRR	0.047719677528	0.12405313438	0.236655649	0.029692064	0.07563999	
IRR %	0.00%	-2.00%	0.00%	-2.00%	0.00%	
$ Weighted OPC IR	0.00%	-0.25%	0.00%	-0.06%	0.00%	

OPC 012030

CALCUALATION OF INTERIM RETIREMENT NET SALVAGE % AND IMPACT
USING OPC IR LEVELS

10.5 YR	345
LC	12033813
L4	27691585
L5	22925535
MC	4854959
M3	25965635
M4	24224816
PC	1523346
P1	7159774
P2	7332410
LGT	4596633
FT GT	14207743
PT E GT	3411445
	155927694
	0.0001
	0.00105
	163724.079
18.5 YR	
FT M C	129090
FT M C	51228656
FT M C	9683556
SC	1165661
S4	33206417
S5	33483343
	128896723
	0.0001
	0.00185
	238458.938
20.5 YR	
M3	45805658
M8	52690040
	98495698
	0.0001
	0.00205
	201916.181
22.5 YR	
TP 5	38642181
	0.0001
	0.00225
	86944.9073
TOTAL IR	691044.104
Tota Plant	421962296
IRR	0.00163769
FPL NS	-0.1
$ Weighted	-0.0001638

OPC 012031

OPC'S QST POD NO12 1 OF 5 - INDUSTRY

ACT 311	ACT 311	ACT 312	ACT 312	ACT 314	ACT 314	ACT 315	ACT 315	ACT 316	ACT 316
100	S2	75	S2	75	S3	65	R4	60	S1.5
122	R3	60	R2	70	R2	60	S1.5	50	R1.5
100	R2.5	90	R2	75	S1.5	60	R3	30	S0
100	R2.5	55	S0.5	55	R1.5	55	R2.5	75	R1
75	S1.5	48	L2	65	R2	60	R2.5	40	R2
120	S0	60	S0	100	S0	80	R2.5	70	L0
100	R2	62	S0.5	65	S1	50	R3	48	S0.5
100	R2.5	50	S0.5	65	R2.5	55	R2	40	S0.6
100	S1.5	65	R2	55	R3	70	S3	70	R1.5
100	S1.5	80	S2	75	S2.5	65	S1	55	R2
100	S0.5	45	S3	55	R1	50	S1.5	60	R1.5RS0
125	R2	65	R1.5	100	R3	75	S1.5	35	S0
65	R1.5	65	R2.5	65	R2	30	R3	35	R2.5
125	R2	65	R1.5	70	RS0.5	70	S2	45	R0.5
100	S1	70	R1.5	50	S0.5	65	S1.5	50	R0.5
100	S1.5	45	R1.5	50	S1.5	50	S2	40	S2
1632		1000		1090		960		803	
102		62.5		68.125		60		50.1875	

ACT 321	ACT 321	ACT 322	ACT 322	ACT 323	ACT 323	ACT 324	ACT 324	ACT 325	ACT 325
65	R2.5	70	R1	60	S0	45	R3	35	R0.5
100	R1	60	S0	100	S0	80	R2	70	L0
100	R2.5	40	R2	60	R3	40	RS1	40	R3
100	S0.5	55	R1.5	50	R1	50	S1.5	60	R1.5
365		225		270		215		205	
91.25		56.25		67.5		53.75		51.25	

ACT 341	ACT 341	ACT 342	ACT 342	ACT 343	ACT 343	ACT 344	ACT 344	ACT 345	ACT 345	ACT 346	ACT 346
40	S4	48	R1.5	38	L4	60	S2.5	28	R2.5	22	S2.5
						42	S3	28	S2	25	S2.5
						70	R2.5	55	S0.5	30	S3
80	S1	70	S1	70	L1.5	37	R3	50	S2	70	L1
30	SQ	30	SQ	30	SQ	30	SQ	30	SQ	30	SQ
120	R1.5			70	R0.5	70	L0				
				60	R2.5	65	R2.5	55	S1.5		
				52	R2.5	44	R4	45	S1.5	40	R1.5
40	R2.5	45	R2.5	35	R1	55	S3	45	R3	35	R2
350		238		390		528		381		287	
70		59.5		55.7143		58.6667		47.625		41	

OPC 012032

EXHIBIT CRC-1 Table 14

Cutler Common	06/30/2020	1950	70	$9.7	$679.0		
Cutler 5	06/30/2020	1954	66	$14.5	$957.0		
Cutler 6	06/30/2020	1955	65	$30.1	$1,956.5		
Manatee Common	06/30/2020	1976	44	$121.5	$5,346.0		
Manatee 1	06/30/2020	1976	44	$210.8	$9,275.2		
Manatee 2	06/30/2020	1977	43	$194.2	$8,350.6	$526.5	0.173379
Martin Common	06/30/2020	1980	40	$277.0	$11,080.0		
Martin Pipeline	06/30/2020	1993	27	$0.4	$10.8		
Martin 1	06/30/2020	1980	40	$253.0	$10,120.0		
Martin 2	06/30/2020	1981	39	$237.9	$9,278.1	$768.3	0.2530049
Pt Everglades Cm	06/30/2020	1960	60	$40.1	$2,406.0		
Pt. Everglades 1	06/30/2020	1960	60	$62.6	$3,756.0		
Pt. Everglades 2	06/30/2020	1961	59	$68.6	$4,047.4		
Pt. Everglades 3	06/30/2020	1964	56	$123.5	$6,916.0		
Pt. Everglades 4	06/30/2020	1965	55	$136.4	$7,502.0		
Sanford 3	06/30/2020	1959	61	$33.5	$2,043.5		
Schere Coal Car	06/30/2029	1995	34	$34.2	$1,162.8		
Schere Common	06/30/2029	1991	38	$68.6	$2,606.8		
Schere Cm 3 & 4	06/30/2029	1991	38	$20.7	$786.6		
Schere 4 1989	06/30/2029	1991	38	$484.7	$18,418.6	$608.2	0.2002832
SJRPP Coal/Lm	06/30/2028	1987	41	$39.2	$1,607.2		
SJRPP Coal Cars	06/30/2028	1987	41	$2.7	$110.7		
SJRPP Common	06/30/2028	1987	41	$61.9	$2,537.9		
SJRPP Gypsum	06/30/2028	1987	41	$19.8	$811.8		
SJRPP 1	06/30/2028	1987	41	$167.3	$6,859.3		
SJRPP 2	06/30/2028	1988	40	$108.7	$4,348.0	$399.6	0.1315902
Turkey Pt Common	06/30/2020	1966	54	$19.3	$1,042.2		
Turkey Pt 1	06/30/2020	1966	54	$104.3	$5,632.2		
Turkey Pt 2	06/30/2020	1968	52	$91.5	$4,758.0		
			44.3	$3,036.7	$134,406.2		
St. Lucie Common	06/30/2040	1976	64	478.2			
St. Lucie 1	06/30/2040	1976	64	796.7			
St. Lucie 2	06/30/2040	1983	57	1216.2			
Trukey Pt Common	06/30/2033	1972	61	430.8			
Trukey Pt 3	06/30/2033	1972	61	465.7			
Trukey Pt 4	06/30/2033	1973	60	582.8			
				3970.4			
CC							
Lauderdale Commn	06/30/2020	1993	27	134.3	$3,626.1		
Lauderdale 4	06/30/2020	1993	27	207.4	$5,599.8		
Lauderdale 5	06/30/2020	1993	27	187.1	$5,051.7		
Ft. Myers Common	06/30/2028	2008	20	72.9	$1,458.0		
Ft. Myers 2	06/30/2028	2000	28	498.2	$13,949.6		
Ft. Myers 3	06/30/2028	2003	25	105	$2,625.0		
Manatee 3	06/30/2030	2005	25	455.6	$11,390.0		
Martin common	06/30/2030	1994	36	75.7	$2,725.2		
Martin Pipeline	06/30/2030	1993	37	13.3	$492.1		
Martin 3	06/30/2030	1994	36	215.9	$7,772.4		
Martin 4	06/30/2030	1994	36	235.9	$8,492.4		
Martin 8	06/30/2030	2005	25	460.8	$11,520.0		
Putnam Common	06/30/2020	1977	43	47.4	$2,038.2		
Putnam 1	06/30/2020	1978	42	76.7	$3,221.4		
Putnam 2	06/30/2020	1977	43	75.7	$3,255.1		
Sanford Common	06/30/2027	2002	25	73.3	$1,832.5		
Sanford 4	06/30/2027	2003	24	348.1	$8,354.4		
Sanford 5	06/30/2027	2002	25	329.5	$8,237.5		
Turkey Pt. 5	06/30/2032	2007	25	503.6	$12,590.0		
			27.7503	4116.4	114231.4		
GAS T.							
Lauderdale	06/30/2020	1970	50	75.7			
Ft. Myers	06/30/2020	1974	46	90.1			
Pt Everglades	06/30/2020	1971	49	49.9			
				215.7			

OPC 012033

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES

DOCKET NO.: 080677-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
_X_ Projected Test Year Ended 12/31/10
___ Prior Year Ended __/__/__
___ Historical Test Year Ended __/__/__
Witness: Robert E. Barrett, Jr.

($000)

Line No.	(1) Account/ Sub-Account Number	(2) Account/ Sub-account Title	(3) Month Plant Balance Dec-09	(4) Month Plant Balance Jan-10	(5) Month Plant Balance Feb-10	(6) Month Plant Balance Mar-10	(7) Month Plant Balance Apr-10	(8) Month Plant Balance May-10	(9) Month Plant Balance Jun-10	(10) Month Plant Balance Jul-10	(11) Month Plant Balance Aug-10	(12) Month Plant Balance Sep-10	(13) Month Plant Balance Oct-10	(14) Month Plant Balance Nov-10	(15) Month Plant Balance Dec-10	13-Month Average		
1	INTANGIBLE PLANT																	
2		Intangible Plant	155,734	157,233	151,011	143,699	146,898	143,872	146,826	163,863	168,553	169,913	173,424	177,048	209,231	161,931		
3		Nuclear Licenses	22,030	22,030	22,030	22,030	22,030	22,030	22,030	22,030	22,030	22,030	22,030	22,030	22,030	22,030		
4		Asset Retirement Obligation	121,271	121,271	121,271	121,271	121,271	121,271	121,271	121,271	121,271	121,271	121,271	121,271	121,271	121,271		
5																		
6	INTANGIBLE PLANT (CLAUSES)																	
7		Intangible Plant ECCR	4,858	4,979	5,110	5,248	5,391	5,539	5,691	5,846	6,003	6,162	6,323	6,485	6,648	5,714		
8		TOTAL INTANGIBLE PLANT	303,893	305,513	299,422	292,248	295,590	292,712	295,818	313,010	315,857	319,378	323,048	326,835	359,179	310,946		
9																		
10	STEAM PRODUCTION																	
11		Cutler	53,054	53,142	53,238	53,333	53,435	53,541	53,650	53,761	53,875	53,990	54,108	54,221	54,340	53,668	1.94%	$1,041
12		Riviera Units 3 & 4	101,468	101,477	101,492	101,511	101,493	101,519	101,549	101,581	101,615	101,651	101,687	101,698	101,727	101,575	0.00%	$0
13		Sanford	32,684	32,683	32,682	32,680	32,677	32,674	32,670	32,668	32,662	32,657	32,652	32,647	32,641	32,667	3.98%	$1,300
14		Ft Myers	3	3	3	3	3	3	3	3	3	3	3	3	3	3	0.00%	$0
15		Pt Everglades	327,481	327,608	327,810	328,080	328,408	328,779	329,181	329,636	330,109	330,605	331,101	331,605	332,148	329,428	3.89%	$12,815
16		Pt Everglades - Electr Prec ECRC	93,702	93,778	93,844	93,901	93,951	93,995	94,035	94,071	94,102	94,131	94,157	94,182	94,204	94,004	3.89%	$3,657
17		Cape Canaveral	183,214	183,152	183,074	183,000	182,899	182,814	182,727	182,635	182,544	182,451	182,349	182,225	182,116	182,708	0.00%	$0
18		Turkey Point	210,264	212,137	213,861	215,458	216,955	218,364	219,700	220,975	222,197	223,378	224,511	225,595	226,680	219,238	3.93%	$8,616
19		Manatee	445,929	445,922	446,058	446,293	446,611	446,931	447,379	447,874	448,403	448,970	449,574	450,172	450,819	447,764	1.99%	$8,911
20		Manatee - Gas Reburn ECRC	68,146	68,150	68,153	68,155	98,219	98,221	98,223	98,224	98,225	98,226	98,227	98,228	98,228	88,971	1.99%	$1,771
21		Martin	749,669	750,695	751,656	752,558	753,402	754,188	754,984	755,714	756,439	757,142	757,829	758,502	759,140	754,761	0.99%	$7,472
22		Martin - Gas Pipeline	371	371	371	371	371	371	371	371	371	371	371	371	371	371	0.13%	$0
23		SJRPP Unit 1	168,977	169,414	169,908	170,438	170,999	171,589	172,202	172,838	173,488	174,151	174,818	175,503	176,196	172,348	1.61%	$2,775
24		SJRPP Unit 1 - SCR ECRC	54,756	54,756	54,756	54,756	54,756	54,757	54,757	54,757	54,757	54,757	54,757	54,757	54,757	54,756	1.61%	$882
25		SJRPP Coal Cars	2,658	2,658	2,658	2,658	2,658	2,658	2,658	2,658	2,658	2,658	2,658	2,658	2,658	2,658	0.14%	$4
26		SJRPP Unit 2	105,748	105,655	105,563	105,470	105,378	105,285	105,193	105,100	105,008	104,915	104,823	104,730	104,636	105,193	1.13%	$1,189
27		SJRPP Unit 2 - SCR ECRC	224	224	224	224	224	224	224	224	224	224	224	224	224	224	1.13%	$3
28		SJRPP Coal terminal	57,590	57,549	57,507	57,466	57,425	57,384	57,343	57,301	57,260	57,219	57,178	57,137	57,095	57,343	1.58%	$906
29		Scherer Unit 4	558,546	558,888	558,912	559,151	559,510	559,919	560,372	560,860	561,379	561,923	562,488	563,072	563,670	560,653	1.20%	$6,728
30		Scherer Unit 4 - Baghouse ECRC	1,370	1,370	1,370	1,370	119,454	119,454	119,454	119,454	119,454	119,454	119,454	119,454	119,454	83,120	1.20%	$997
31		Scherer Coal Cars	33,331	33,301	33,270	33,240	33,210	33,179	33,149	33,119	33,088	33,058	33,028	32,998	32,967	33,149	0.19%	$63
32		Steam Plant ECRC	72,547	72,734	72,918	73,095	73,278	73,453	73,630	73,806	73,980	74,154	74,319	80,615	80,784	74,562	2.00%	$1,491
33		Minor Steam Production	9,728	10,066	10,404	10,690	10,961	11,207	11,432	11,636	11,830	12,017	12,192	12,356	12,513	11,312	2.00%	$226
34		TOTAL STEAM PRODUCTION	3,331,459	3,335,649	3,339,729	3,343,699	3,496,272	3,500,512	3,504,876	3,509,267	3,513,670	3,518,102	3,522,505	3,532,960	3,537,372	3,460,474	1.92%	$60,846

080677 Hearing Exhibits - 00001152

OPC 012034

Supporting Schedules:
Schedule B-8

Recap Schedules: B-7

MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
_X_ Projected Test Year Ended 12/31/10
___ Prior Year Ended __/__/__
___ Historical Test Year Ended __/__/__
Witness: Robert E. Barrett, Jr.

COMPANY: FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES

DOCKET NO.: 080677-EI

($000)

Line No.	(1) Account/ Sub-Account Number	(2) Account/ Sub-account Title	(3) Month Plant Balance Dec-09	(4) Month Plant Balance Jan-10	(5) Month Plant Balance Feb-10	(6) Month Plant Balance Mar-10	(7) Month Plant Balance Apr-10	(8) Month Plant Balance May-10	(9) Month Plant Balance Jun-10	(10) Month Plant Balance Jul-10	(11) Month Plant Balance Aug-10	(12) Month Plant Balance Sep-10	(13) Month Plant Balance Oct-10	(14) Month Plant Balance Nov-10	(15) Month Plant Balance Dec-10	13-Month Average		
1	NUCLEAR PRODUCTION																	
2		Turkey Point Common	450,940	453,299	455,949	458,390	460,650	462,208	531,581	533,599	535,548	537,450	539,778	542,288	593,896	504,274	2.05%	$10,388
3		Turkey Point Unit 3	515,009	514,451	513,894	513,336	512,779	512,221	511,864	511,108	510,549	509,991	509,434	508,876	611,697	519,816	1.76%	$9,145
4		Turkey Point Unit 4	633,777	633,534	633,291	633,048	632,806	632,563	632,320	632,078	631,835	631,592	631,350	631,107	630,864	632,320	1.97%	$12,457
5		St Lucie Plant Common	492,364	494,188	495,873	497,885	499,380	500,594	502,882	504,858	506,822	508,961	510,924	513,032	514,715	503,220	1.60%	$8,052
6		St Lucie Unit 1	842,339	843,067	843,726	844,352	845,093	873,415	1,002,985	1,003,725	1,004,422	1,006,109	1,005,747	1,006,419	1,007,121	932,885	1.66%	$15,393
7		St Lucie Unit 2	1,286,829	1,286,951	1,286,307	1,286,402	1,286,258	1,286,045	1,285,251	1,284,045	1,282,439	1,281,392	1,277,398	1,273,165	1,339,115	1,287,815	1.71%	$22,022
8		Nuclear Plant ECRC	3,235	3,475	3,897	3,900	4,067	4,260	4,418	4,564	4,699	4,822	4,936	5,040	5,138	4,328	1.77%	$77
9		Minor Nuclear Production	16,934	17,663	18,376	19,077	19,815	20,539	21,249	21,970	22,678	23,392	24,118	24,829	25,529	21,244	1.77%	$376
10		TOTAL NUCLEAR PRODUCTION	4,241,427	4,246,619	4,251,112	4,256,190	4,260,867	4,291,844	4,492,151	4,495,743	4,498,992	4,502,700	4,503,682	4,504,736	4,726,073	4,405,703	1.77%	$77,908
11																		
12	OTHER PRODUCTION																	
13		Putnam CCs	199,763	200,999	202,121	203,114	204,042	204,890	205,670	206,393	207,057	207,689	208,265	208,852	209,393	206,252	2.92%	$5,993
14		Sanford CCs	749,496	752,074	754,738	757,363	760,146	762,956	765,823	768,725	771,651	774,601	777,577	780,570	783,540	766,098	4.18%	$32,023
15		Ft Lauderdale CCs	527,880	530,715	533,346	536,799	538,109	540,294	542,364	544,352	546,283	548,108	549,893	551,805	553,308	541,695	4.10%	$22,210
16		Ft Lauderdale GTs	75,446	75,195	74,944	74,693	74,441	74,190	73,939	73,688	73,437	73,186	72,935	72,684	72,433	73,939	0.85%	$628
17		Ft Myers GTs	92,521	92,509	92,505	92,507	92,515	92,527	92,544	92,564	92,587	92,612	92,640	92,669	92,700	92,569	2.84%	$2,629
18		Ft Myers CCs	567,291	567,041	566,851	566,649	566,530	566,462	566,406	566,386	566,388	566,391	566,412	566,430	566,466	566,593	4.21%	$23,854
19		Ft Myers Simple Cycle Unit 3 Peaker	104,677	104,794	104,919	105,052	105,190	105,334	105,482	105,634	105,789	105,947	106,107	106,269	106,433	105,510	5.09%	$5,370
20		Pt Everglades GT's	49,938	50,071	50,213	50,365	50,523	50,686	50,857	51,032	51,210	51,391	51,576	51,761	51,949	50,890	1.22%	$621
21		Turkey Point Unit 5	502,225	503,263	504,533	505,946	507,490	509,170	510,941	512,798	514,727	516,718	518,761	520,849	522,974	511,571	4.04%	$20,667
22		Manatee Unit 3 CC	454,825	455,040	455,339	455,709	456,140	456,600	457,128	457,689	458,273	458,894	459,528	460,202	460,882	457,404	4.38%	$20,034
23		Martin (Excluding Pipeline)	526,416	527,050	527,696	528,293	528,957	529,626	530,305	530,986	531,672	532,362	533,054	533,721	534,377	530,347	4.31%	$22,858
24		Martin Unit 8 CC	459,582	460,933	462,179	463,335	464,414	465,429	466,386	467,301	468,174	469,013	469,824	470,610	471,375	466,043	4.03%	$18,782
25		Martin Gas Pipeline	13,293	13,293	13,293	13,293	13,293	13,293	13,293	13,293	13,293	13,293	13,293	13,293	13,293	13,293	0.03%	$4
26		WCEC Unit 1 & 2 CCs	1,249,204	1,264,535	1,244,044	1,244,595	1,245,329	1,246,157	1,247,447	1,248,478	1,249,592	1,250,781	1,252,035	1,253,344	1,254,698	1,249,249	4.37%	$54,582
27		Martin Solar ECRC	-	-	-	-	-	-	-	-	-	-	-	-	461,814	35,524	3.33%	$1,183
28		Desoto Solar ECRC	163,289	164,484	164,503	164,520	164,535	164,547	164,557	164,566	164,573	164,580	164,585	164,590	164,594	164,456	3.33%	$5,476
29		Space Coast Solar ECRC	17	19	21	23	24	25	26	75,784	75,785	75,785	75,786	75,786	75,787	34,990	3.33%	$1,165
30		Other Production Plant ECRC	15,064	15,066	15,069	15,073	15,078	15,081	15,087	15,093	15,100	15,107	15,115	15,122	15,130	15,091	4.09%	$617
31		Minor Other Production	(3,350)	(3,166)	(2,802)	(2,228)	(1,459)	(558)	455	1,586	2,758	4,037	5,374	6,757	8,180	1,196	4.09%	$49
32		TOTAL OTHER PRODUCTION	5,747,564	5,763,913	5,763,521	5,774,101	5,785,307	5,798,703	5,809,711	5,895,328	5,908,326	5,920,498	5,932,788	5,945,114	6,419,346	5,881,709		$238,756
33																		
34	TRANSMISSION																	
35		Transmission	3,439,913	3,446,250	3,452,814	3,460,085	3,468,313	3,477,351	3,486,257	3,492,954	3,501,343	3,509,116	3,516,708	3,524,703	3,532,606	3,485,262	2.22%	$77,373
36		Transmission ECRC	9,492	9,492	9,492	9,492	9,492	9,492	9,492	12,692	12,692	12,692	12,692	12,692	22,492	11,723	2.22%	$260
37		FPL - New England Division	55,113	55,113	55,113	55,113	55,113	55,597	55,712	55,712	58,359	58,359	58,359	58,359	58,712	56,518	2.22%	$1,255
38		TOTAL TRANSMISSION	3,504,518	3,510,855	3,517,419	3,524,689	3,532,918	3,542,440	3,551,461	3,561,358	3,572,394	3,580,167	3,587,759	3,595,754	3,613,810	3,553,503		$78,888

Supporting Schedules: Recap Schedules: B-7
Schedule B-8

MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES

DOCKET NO.: 080677-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
X Projected Test Year Ended 12/31/10
___ Prior Year Ended __/__/__
___ Historical Test Year Ended __/__/__
Witness: Robert E. Barrett, Jr.

($000)

Line No.	(1) Account/ Sub-Account Number	(2) Account/ Sub-account Title	(3) Month Plant Balance Dec-09	(4) Month Plant Balance Jan-10	(5) Month Plant Balance Feb-10	(6) Month Plant Balance Mar-10	(7) Month Plant Balance Apr-10	(8) Month Plant Balance May-10	(9) Month Plant Balance Jun-10	(10) Month Plant Balance Jul-10	(11) Month Plant Balance Aug-10	(12) Month Plant Balance Sep-10	(13) Month Plant Balance Oct-10	(14) Month Plant Balance Nov-10	(15) Month Plant Balance Dec-10	13-Month Average		
1	DISTRIBUTION (Excluding Clauses)																	
2	361	Structures & Improvements	163,569	164,273	165,104	166,815	167,073	168,274	169,346	170,828	172,119	173,361	174,576	175,760	176,983	169,806	1.80%	$3,058
3	362	Station Equipment	1,261,152	1,263,972	1,267,374	1,271,178	1,275,782	1,280,938	1,286,514	1,292,155	1,297,834	1,303,205	1,308,506	1,313,676	1,318,045	1,287,817	2.08%	$26,528
4	364	Poles, Towers & Fixtures	878,114	879,385	881,683	884,191	887,548	880,562	883,449	888,281	888,861	901,458	903,811	906,120	908,128	893,035	3.72%	$33,221
5	365	Overhead Conductors & Devices	1,155,297	1,158,588	1,159,080	1,161,962	1,165,671	1,169,024	1,172,248	1,175,483	1,178,046	1,181,130	1,183,832	1,186,240	1,188,410	1,171,748	2.98%	$34,918
6	366	Underground Conduit	1,369,288	1,372,588	1,377,804	1,383,758	1,391,288	1,398,059	1,404,812	1,411,088	1,418,835	1,422,957	1,428,853	1,433,849	1,438,647	1,403,783	1.31%	$18,390
7	367	UG Conductors & Devices	1,821,385	1,822,882	1,828,413	1,833,775	1,840,872	1,847,124	1,853,158	1,858,058	1,864,008	1,868,787	1,874,858	1,879,385	1,883,477	1,852,244	2.17%	$40,194
8	368	Line Transformers	1,810,218	1,811,446	1,814,572	1,818,435	1,823,874	1,828,555	1,833,018	1,837,371	1,840,858	1,845,101	1,848,887	1,851,802	1,854,510	1,832,189	3.18%	$58,264
9	369	Services	780,822	781,487	783,034	784,830	787,178	788,280	801,288	803,224	804,888	806,827	808,528	810,058	811,482	800,876	2.48%	$19,864
10	370	Meters	488,888	501,987	518,080	519,085	528,684	538,128	547,558	557,054	566,342	575,788	585,112	594,225	603,436	548,037	3.07%	$16,825
11	371	Installations On Customer Premises	83,873	83,817	84,008	84,117	84,288	84,388	84,621	84,842	84,742	84,881	84,964	85,055	85,136	84,500	1.58%	$1,018
12	373	Street Lighting & Signal Systems	375,204	375,414	376,054	376,854	378,011	378,888	379,838	380,849	381,587	382,455	383,198	383,831	384,373	379,749	2.08%	$7,823
13		Minor Distribution Line	153,326	159,656	170,152	182,430	197,582	211,368	224,823	238,044	249,360	261,937	273,380	283,817	293,508	223,024	3.35%	$7,471
14		Minor Distribution Substations	-	-	28	88	123	195	273	351	431	518	606	700	798	315	2.06%	$8
15		TOTAL DISTRIBUTION (Excl. Clauses)	########	########	########	########	########	########	########	########	########	########	########	########	########	########	2.52%	$267,580
16																		
17	DISTRIBUTION (CLAUSES)																	
18	362.9	Station Equipment - LMS	13,586	14,276	14,957	15,669	16,445	17,228	17,983	18,812	19,303	20,049	20,779	21,560	22,338	17,906	2.00%	$359
19	371.2	Residential Load Management - LMS	17,832	17,725	17,725	17,726	17,526	17,195	17,137	17,134	17,134	17,134	17,134	17,131	17,131	17,256	2.08%	$358
20		Distribution ECRC	2,959	2,958	2,967	2,975	2,983	2,992	3,080	3,008	3,017	3,025	3,033	3,042	3,050	3,000	2.52%	$76
21		TOTAL DISTRIBUTION CLAUSES	34,367	34,960	35,649	36,369	36,954	37,416	38,120	38,764	39,453	40,207	40,946	41,733	42,516	38,205		$802
22																		
23		TOTAL DISTRIBUTION	########	########	########	########	########	########	########	########	########	########	########	########	########	########		$268,382
24																		
25	GENERAL PLANT STRUCTURES (DEPR)		407,369	408,446	409,376	410,373	411,583	412,947	414,388	415,685	416,452	417,721	418,831	418,851	420,717	414,072	0.84%	$3,478
26																		
27	GENERAL PLANT OTHER																	
28		General Plant Other	226,021	223,441	224,779	222,910	225,269	227,758	230,469	234,182	237,100	240,068	237,944	240,091	254,220	232,788	4.54%	$10,569
29		General Plant Other ECRC	3,849	4,063	4,118	4,158	4,371	4,419	4,466	4,880	4,729	4,775	4,989	5,038	9,314	4,843	4.54%	$220
30		TOTAL GENERAL PLANT OTHER	231,868	227,503	228,898	227,068	229,631	232,175	234,935	238,062	241,828	244,843	242,933	245,128	263,534	237,631		$10,788
31																		
32	GENERAL PLANT OTHER (ECCR)		412	412	412	412	412	412	412	412	410	410	410	410	410	411	4.54%	$19
33																		
34	GENERAL PLANT TRANSPORTATION		206,494	208,623	208,062	209,744	212,105	214,289	216,310	218,623	220,577	222,531	224,852	226,472	228,080	216,427	3.41%	$7,380
35																		
36		TOTAL GENERAL PLANT	845,154	842,967	846,739	847,590	853,911	859,794	865,743	872,982	879,286	886,504	888,626	891,861	912,761	868,541		$21,865
																		$748,445

Supporting Schedules: Recap Schedules: B-7
Schedule B-8

MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES

DOCKET NO.: 080677-EI

EXPLANATION: Provide the monthly plant balances for each account or sub-account to which an individual depreciation rate is applied. These balances should be the ones used to compute the monthly depreciation expenses excluding any amortization/recovery schedules.

Type of Data Shown:
X Projected Test Year Ended 12/31/10
___ Prior Year Ended __/__/__
___ Historical Test Year Ended __/__/__
Witness: Robert E. Barrett, Jr.

($000)

Line No.	(1) Account/ Sub-Account Number	(2) Account/ Sub-account Title	(3) Month Plant Balance Dec-09	(4) Month Plant Balance Jan-10	(5) Month Plant Balance Feb-10	(6) Month Plant Balance Mar-10	(7) Month Plant Balance Apr-10	(8) Month Plant Balance May-10	(9) Month Plant Balance Jun-10	(10) Month Plant Balance Jul-10	(11) Month Plant Balance Aug-10	(12) Month Plant Balance Sep-10	(13) Month Plant Balance Oct-10	(14) Month Plant Balance Nov-10	(15) Month Plant Balance Dec-10	13-Month Average
1	OTHER ITEMS															
2		Scherer Acquisition Adjustment	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383
3		TOTAL OTHER ITEMS	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383	107,383
4																
5	TOTAL DEPRECIABLE PLANT BALANCE		########	########	########	########	########	########	########	########	########	########	########	########	########	########
6																
7	NON-DEPRECIABLE PROPERTY		299,426	300,590	301,719	302,980	304,240	305,885	310,297	311,556	313,701	315,436	317,167	319,486	321,883	309,557
8																
9	MISCELLANEOUS INTANGIBLES		-	-	-	-	-	-	-	-	-	-	-	-	-	-
10																
11	TOTAL PLANT BALANCE		########	########	########	########	########	########	########	########	########	########	########	########	########	########

COMBINED IMPACT OF NET SALVAGE, ASL AND REMAINING LIFE ADJUSTMENTS

TRANSMISSION PLANT								
350.2 Easements	$175,571,160	0%	$0	$50,530,943	$125,040,217	77.51	$1,613,214	0.92%
352.0 Structures & Improvemen	$85,889,291	-15%	($12,883,394)	$23,196,106	$75,576,579	47.81	$1,580,769	1.84%
353.0 Station Equipment	$1,011,113,785	0%	$0	$244,270,562	$766,843,223	33.48	$22,904,517	2.27%
353.1 Station Equipment - Gene	$197,711,163	0%	$0	$42,535,608	$155,175,555	34.72	$4,469,342	2.26%
354.0 Towers & Fixtures	$168,243,833	0%	$0	$74,614,045	$93,629,788	42.04	$2,227,160	1.32%
355.0 Poles & Fixtures	$740,416,858	-30%	($222,125,057)	$298,146,133	$664,395,782	33.43	$19,874,238	2.68%
356.0 Overhead Conductors & I	$548,383,891	-40%	($219,353,556)	$214,668,340	$553,069,107	40.34	$13,710,191	2.50%
357.0 Underground Conduit	$54,394,725	0%	$0	$24,725,846	$29,668,879	40.89	$725,578	1.33%
358.0 Underground Conductors	$58,584,827	-10%	($5,858,483)	$32,491,841	$31,951,469	41.45	$770,844	1.32%
359.0 Roads & Trails	$82,226,489	-10%	($8,222,649)	$27,502,488	$62,946,650	47.03	$1,338,436	1.63%
Total Transmission	$3,122,536,022		($468,443,139)	$1,032,681,912	$2,558,297,249		$69,214,289	
DISTRIBUTION PLANT - DEPRECIABLE								
361.0 Structures & Improvemen	$181,432,252	-15%	($27,214,838)	$44,324,043	$164,323,047	50.39	$3,261,025	1.80%
362.0 Station Equipment	$1,399,018,981	-10%	($139,901,898)	$429,047,355	$1,109,873,524	38.48	$28,842,867	2.06%
364.0 Poles, Towers & Fixtures	$878,114,186	-60%	($526,868,512)	$406,815,277	$998,167,421	30.56	$32,662,546	3.72%
365.0 Overhead Conductors & I	$1,155,296,902	-50%	($577,648,451)	$624,469,987	$1,108,475,366	32.15	$34,478,238	2.98%
366.6 Underground Conduit,Du	$1,293,088,609	0%	$0	$317,774,205	$975,314,404	59.03	$16,522,351	1.28%
366.7 Underground Conduit,Dir	$76,179,331	0%	$0	$19,429,379	$56,749,952	39.97	$1,419,814	1.86%
367.6 Underground Conductors	$1,344,075,779	0%	$0	$324,691,177	$1,019,384,602	31.95	$31,905,621	2.37%
367.7 Underground Conductors	$427,212,466	0%	$0	$247,924,379	$179,288,087	27.92	$6,421,493	1.50%
368.0 Line Transformers	$1,810,216,247	-20%	($362,043,249)	$772,661,777	$1,399,597,719	24.34	$57,501,961	3.18%
369.1 Services, Overhead	$180,627,855	-85%	($153,533,677)	$95,646,630	$238,514,902	36.71	$6,497,273	3.60%
369.7 Services, Underground	$609,994,306	-5%	($30,499,715)	$247,438,438	$393,055,583	29.98	$13,110,593	2.15%
370.0 Meters	$225,844,517	-10%	($22,584,452)	$81,144,078	$167,284,891	27.14	$6,163,776	2.73%
370.1 AMR Meters	$30,378,322	-10%	($3,037,832)	$733,042	$32,683,112	19.18	$1,704,020	5.61%
371.0 Installations on Customer	$63,873,263	-25%	($15,968,316)	$57,068,106	$22,773,473	22.6	$1,007,676	1.58%
373.0 Street Lighting & Signal S	$375,203,879	-20%	($75,040,776)	$230,756,332	$219,488,323	28.35	$7,742,093	2.06%
Total Distribution	$10,050,556,895		($1,934,341,715)	$3,899,924,205	$8,084,974,405		$249,241,349	
GENERAL PLANT - DEPRECIABLE								
390.0 Structures & Improvemen	$405,787,732	25%	$101,446,933	$158,612,363	$145,728,436	42.72	$3,411,246	0.84%
392.01 Aircraft - Fixed Wing (Je	$44,041,046	50%	$22,020,523	$22,866,644	($846,121)	2.27	($372,741)	-0.85%
392.02 Aircraft - Rotary Wing	$8,926,387	50%	$4,463,194	$3,460,055	$1,003,139	4.5	$222,920	2.50%
392.1 Transportation - Automob	$2,066,181	15%	$309,927	$867,802	$888,452	3.42	$259,781	12.57%
392.2 Transportation - Light Tru	$26,453,827	15%	$3,968,074	$12,689,927	$9,795,826	5.1	$1,920,750	7.26%
392.3 Transportation - Heavy Tı	$156,049,583	15%	$23,407,437	$97,983,924	$34,658,222	5.75	$6,027,517	3.86%
392.4 Transportation - Tractor-1	$571,817	0%	$0	$371,149	$200,668	2.41	$83,265	14.56%
392.9 Transportation - Trailers	$15,012,848	15%	$2,251,927	$6,467,243	$6,293,678	12.77	$492,849	3.28%
396.1 Power Operated Equipme	$5,329,433	20%	$1,065,887	$2,950,374	$1,313,172	6.66	$197,173	3.70%
396.8 Other Power Operated E	$31,694	20%	$6,339	$26,820	($1,465)	6.77	($216)	-0.68%
397.8 Communications Equipm	$7,822,814	0%	$0	$4,639,350	$3,183,464	7.93	$401,446	5.13%
Total General	$672,093,362		$158,940,241	$310,935,651	$202,217,470		$12,643,989	
Total Transmisssion, Distributior	$13,845,186,279		($2,243,844,614)	$5,243,541,768	$10,845,489,125		$331,099,626	

CALCULATION OF IMPACT DUE TO CORRECTED REMAINING LIFE CALCULATION

TRANSMISSION PLANT											
350.2 Easements	$175,571,160	0%	$0	$50,530,943	$125,040,217	30.87	$4,050,542	2.31%	33.09	$3,778,792	2.15%
352.0 Structures & Improvements	$85,889,291	-15%	($12,883,394)	$23,196,106	$75,576,579	48.43	$1,560,532	1.82%	47.81	$1,580,769	1.84%
353.0 Station Equipment	$1,011,113,785	-10%	($101,111,379)	$244,270,562	$867,954,602	27.08	$32,051,499	3.17%	27.88	$31,131,801	3.08%
353.1 Station Equipment - Generator Step-Up Transformers	$197,711,163	0%	$0	$42,535,608	$155,175,555	22.99	$6,749,898	3.41%	23.71	$6,544,730	3.31%
354.0 Towers & Fixtures	$168,243,833	-15%	($25,236,575)	$74,614,045	$118,866,363	19.74	$6,021,599	3.58%	22.1	$5,378,568	3.20%
355.0 Poles & Fixtures	$740,416,858	-50%	($370,208,429)	$298,146,133	$812,479,154	34.17	$23,777,558	3.21%	33.43	$24,303,893	3.28%
356.0 Overhead Conductors & Devices	$548,383,891	-50%	($274,191,946)	$214,668,340	$607,907,497	36.43	$16,687,002	3.04%	35.93	$16,919,218	3.09%
357.0 Underground Conduit	$54,394,725	0%	$0	$24,725,846	$29,668,879	47.29	$627,382	1.15%	40.89	$725,578	1.33%
358.0 Underground Conductors & Devices	$58,584,827	-10%	($5,858,483)	$32,491,841	$31,951,469	48.97	$652,470	1.11%	41.45	$770,844	1.32%
359.0 Roads & Trails	$82,226,489	-10%	($8,222,849)	$27,502,488	$82,946,650	30.89	$2,037,768	2.48%	32.03	$1,965,240	2.39%
Total Transmission	$3,122,536,022		($797,712,853)	$1,032,681,912	$2,887,566,963		$94,216,050			$93,099,433	
DISTRIBUTION PLANT - DEPRECIABLE											
361.0 Structures & Improvements	$181,432,252	-15%	($27,214,838)	$44,324,043	$164,323,047	51.38	$3,198,191	1.76%	50.39	$3,261,025	1.80%
362.0 Station Equipment	$1,399,018,981	-10%	($139,901,898)	$429,047,355	$1,109,873,524	31.98	$34,705,238	2.48%	31.24	$35,527,322	2.54%
364.0 Poles, Towers & Fixtures	$878,114,186	-125%	($1,097,642,733)	$406,815,277	$1,568,941,642	24.31	$64,538,940	7.35%	25.85	$60,694,067	6.91%
365.0 Overhead Conductors & Devices	$1,155,296,902	-100%	($1,155,296,902)	$624,469,987	$1,686,123,817	29.34	$57,468,433	4.97%	29.31	$57,527,254	4.98%
366.6 Underground Conduit,Duct System	$1,293,088,609	-5%	($64,654,430)	$317,774,205	$1,039,968,834	60.15	$17,289,590	1.34%	59.03	$17,617,632	1.36%
366.7 Underground Conduit,Direct Buried	$76,179,331	0%	$0	$19,429,379	$56,749,952	41.28	$1,374,757	1.80%	39.97	$1,419,814	1.86%
367.6 Underground Conductors & Devices Duct System	$1,344,075,779	-5%	($67,203,789)	$324,691,177	$1,086,588,391	30.16	$36,027,467	2.68%	29.99	$36,231,690	2.70%
367.7 Underground Conductors & Devices,Direct Buried	$427,212,466	0%	$0	$247,924,379	$179,288,087	22.31	$8,036,221	1.88%	19.29	$9,294,354	2.18%
368.0 Line Transformers	$1,810,216,247	-25%	($452,554,062)	$772,661,777	$1,490,108,532	22.91	$65,041,839	3.59%	22.53	$66,138,861	3.65%
369.1 Services, Overhead	$180,627,855	-125%	($225,784,819)	$95,646,630	$310,766,044	36.71	$8,465,433	4.69%	36.71	$8,465,433	4.69%
369.7 Services, Underground	$609,994,306	-10%	($60,999,431)	$247,438,438	$423,555,299	23.16	$18,288,225	3.00%	22.67	$18,683,516	3.06%
370.0 Meters	$225,844,517	-55%	($124,214,484)	$81,144,078	$268,914,923	23.56	$11,414,046	5.05%	25.14	$10,696,695	4.74%
370.1 AMR Meters	$30,378,322	-55%	($16,708,077)	$733,042	$46,353,357	19.16	$2,419,278	7.96%	19.18	$2,416,755	7.96%
371.0 Installations on Customer's Premises	$63,873,263	-25%	($15,968,316)	$57,068,106	$22,773,473	25.34	$898,716	1.41%	22.6	$1,007,676	1.58%
373.0 Street Lighting & Signal Systems	$375,203,879	-20%	($75,040,776)	$230,756,332	$219,488,323	25.84	$8,494,130	2.26%	22.44	$9,781,120	2.61%
Total Distribution	$10,050,556,895		($3,523,184,554)	$3,899,924,205	$9,673,817,244		$337,660,504			$338,763,213	
GENERAL PLANT - DEPRECIABLE											
390.0 Structures & Improvements	$405,787,732	-10%	($40,578,773)	$158,612,363	$287,754,142	37.09	$7,758,268	1.91%	36.25	$7,938,045	1.96%
392.01 Aircraft - Fixed Wing (Jet)	$44,041,048	50%	$22,020,523	$22,866,644	($846,121)	0	$0	0.00%	0	$0	0.00%
392.02 Aircraft - Rotary Wing	$8,926,387	50%	$4,463,194	$3,460,055	$1,003,139	2.5	$401,255	4.50%	2.5	$401,255	4.50%
392.1 Transportation - Automobiles	$2,066,181	15%	$309,927	$867,802	$888,452	3.53	$251,686	12.18%	3.42	$259,781	12.57%
392.2 Transportation - Light Trucks	$26,453,827	15%	$3,968,074	$12,689,927	$9,795,826	5.81	$1,686,029	6.37%	5.1	$1,920,750	7.26%
392.3 Transportation - Heavy Trucks	$156,049,583	15%	$23,407,437	$97,983,924	$34,658,222	9	$3,850,914	2.47%	5.75	$6,027,517	3.86%
392.4 Transportation - Tractor-Trailers	$571,817	0%	$0	$371,149	$200,668	2.96	$67,793	11.86%	2.41	$83,265	14.56%
392.9 Transportation - Trailers	$15,012,848	15%	$2,251,927	$6,467,243	$6,293,678	13.91	$452,457	3.01%	12.77	$492,849	3.28%
396.1 Power Operated Equipment (Transportation)	$5,329,433	20%	$1,065,887	$2,950,374	$1,313,172	8.43	$155,774	2.92%	6.66	$197,173	3.70%
396.8 Other Power Operated Equipment	$31,694	20%	$6,339	$26,820	($1,465)	0	$0	0.00%	0	$0	0.00%
397.6 Communications Equipment - Fiber Optics	$7,822,814	0%	$0	$4,639,350	$3,183,464	9.26	$343,787	4.39%	7.93	$401,446	5.13%
Total General	$672,093,362		$16,914,535	$310,935,651	$344,243,176		$14,967,962			$17,722,081	
										$2,754,119	
Total Transmission, Distribution, & General Plant	$13,845,186,279		($4,303,982,873)	$5,243,541,768	$12,905,627,384		$446,844,515			$449,584,727	
										$2,740,212	

OPC 1ST
POD #12 4

FLORIDA POWER & LIGHT

PRODUCTION PLANT INTERIM NET SALVAGE ANALYSIS

The net salvage for interim retirements was developed by analyzing the retirement, cost of removal and salvage data from 1986 to 2007. Information from Company personnel and experience in the industry were incorporated in the determination of an estimated future net salvage by account for production. Since this net salvage is only applied to future interim retirements, the net salvage percent developed for each account was adjusted for future interim retirements. Below is an account by account description of the development of net salvage percent and the tables that follow show the adjustment for future interim retirements.

Account 311 Structures and Improvements

① all years

5 YR X = -7
3 YR RD
-15

Industry data usually shows negative net salvage for this account. Currently the approved net salvage percent is negative 9 percent. There has been some large amounts of salvage recorded in past few years but it appears the cost of removal has been increasing recently and creating negative net salvage. Looking at the history for this account shows negative 16 percent net salvage. Recommend increasing the net salvage for this account to negative 15 percent. See Attachment A for the adjustment for future interim retirements which lowers the net salvage percent to negative 5 percent.

Account 312 Boiler Plant Equipment

① I
② COR ↗
③ 5 YR + recent

This account usually shows net negative salvage in the industry. The current approved net salvage percent is negative 6 percent. Cost of removal has been increasing over the past few years over 10 percent in most years. The historical data shows net salvage at negative 27 percent, the past five years show negative 13 percent and the recent years show negative 18 percent. Recommend increasing net salvage to negative 15 percent. See Attachment A for the adjustment for future interim retirements which lowers the net salvage percent to negative 11 percent.

Account 314 Turbogenerator Units

There have been considerable interim retirements in this account over the past years, however there is also high cost of removal and high salvage associated with these retirements. Some years cost of removal outweighs salvage and some years it's the other way around. Currently the approved net salvage percent is

OPC 012040

negative 2 percent. This seems too high for this account since there has been some large salvage amounts recorded in the past few years. Until we can establish a pattern for net salvage I recommend using zero percent net salvage for this account. Attachment A shows that this stays at zero percent net salvage for future interim net salvage.

Account 315 Accessory Electric Equipment

Cost of removal has been increasing in this account for a number of years. Current net salvage percent is negative 6 percent. This amount should definitely be increased according to the data. Historical net salvage shows negative 19 percent but the 5 year average shows negative 28 percent with a number of years over 30 percent. Recommend increasing net salvage percent to negative 20 percent for this account. Attachment A shows the adjustment for future interim retirements which lowers the net salvage to negative 12 percent.

Account 316 Miscellaneous Equipment

Cost of removal and salvage for this account are not that large although there is more cost of removal recorded. Current approved net salvage percent for this account is zero percent. There has been more cost of removal recorded over history and shows negative 5 percent net salvage. This has increased over the past five years which show negative 8 percent. Recommend increasing net salvage from zero percent to negative 5 percent for this account. Attachment A shows the adjustment for future interim retirements which lowers the net salvage percent to negative 4 percent.

Account 321 Structures and Improvements

This account usually shows high cost of removal and low salvage however in the past few years there has been some high salvage recorded. Currently the net salvage percent approved is negative one percent. Over the past 10 years the net salvage has been up and down. The account was showing some positive salvage but then turned negative again. Recommend lowering the net salvage to zero percent until there is a pattern in recorded amounts. Attachment A shows the adjustment for interim retirements for this account is still results in zero percent.

Account 322 Reactor Plant Equipment

During the history examined for this account the cost of removal has outweighed the salvage slightly. Current approved net salvage amount is negative 2 percent.

This amount appears justified until the recent few years when there was some large retirements with large removal and salvage recorded. These recent retirements have distorted the historical pattern showing high net negative salvage. Until we get more years of data we recommend increasing the net salvage percent slightly from the current approved to negative 5 percent. Attachment A shows the adjustment for future interim retirements for this account lowers this to negative 4 percent.

Account 323 Turbogenerator Units

This account history shows net salvage percent positive in some years and negative in other years depending on the retirement. There have been some large retirements in past few years with both high salvage and high removal costs. Current approved net salvage is negative 4 percent. Until it is determined if these large retirements will continue and a pattern of removal and salvage is established I recommend using zero net salvage percent for this account. Attachment A shows the adjustment for future interim retirements which wil continue to be zero percent.

Account 324 Accessory Electric Equipment

Retirements for this account have been fairly constant compared to some of the other nuclear accounts. Cost of removal most always exceeds salvage. The historical data shows net salvage at negative 19 percent. Current approved net salvage is negative 2 percent. the past 5 years shows net salvage increasing to negative 41 percent. Recommend increasing current net salvage to negative 20 percent for this account. Attachment A shows the adjustment for future interim retirements lowers this to 18 percent net negative salvage.

Account 325 Miscellaneous Equipment

This account shows cost of removal and salvage high and low resulting in positive and negative net salvage. Current net salvage is negative one percent. Historical data shows the overall net salvage at positive 11 percent however the past couple of years show negative net salvage. Recommend using zero percent net salvage for this account until a pattern can be established with the recorded data. Attachment A shows the adjustment for future interim retirements results in zero net salvage percent for this account.

Account 341 Structures and Improvements

There has been large removal costs recorded for this account. There is an extremely large salvage amount recorded in 2007 which appears to be an anomaly. Current net salvage is negative 2 percent. Historical net salvage is negative 20 percent but much higher in past few years with negative 40 percent (ignoring 2007). Recommend increasing net salvage to reflect increasing cost of removal, increase to negative 25 percent. Attachment A adjusts this amount for future interim retirements and results in negative 12 percent for this account.

Account 342 Fuel Holders, Producers & Accessories

This account has a number of years with no retirements, however when there are retirements there is cost of removal and little salvage recorded, some years no salvage. Current approve net salvage is zero percent. Recommend increasing net salvage to reflect cost of removal, increase to negative 5 percent. Attachment A shows the adjustment for future interim retirements which lowers this net salvage to negative 3 percent.

Account 343 Prime Movers

The historical data shows some large retirements with high cost of removal and high salvage in some years. The historical net salvage shows negative 24 percent. Current net salvage for this account is zero percent. The last five years shows negative 14 percent net salvage. Recommend increasing net salvage to reflect the increasing cost of removal for this account. Increase to negative 10 percent. Attachment A shows the adjustment for future interim retirements which lowers the net salvage to negative 2 percent.

Account 344 Generators

Historical data shows some large retirements over past few years but extremely high removal costs. Currently the approved net salvage percent for this account is negative one percent. The five year average shows negative 136 percent. The historical net salvage percent is negative 99 percent. Based on the past five years increase the net salvage to negative 100 percent. Attachment A shows the adjustment for future interim retirements which will lower the estimate to negative 11 percent.

Account 345 Accessory Electric Equipment

Retirements for this account have been fairly stable over the years. There has been cost of removal recorded for each retirement but very little salvage and most years no salvage has been recorded. Current net salvage percent is negative one percent. Historical net salvage percent is negative 7 percent but last five years the net salvage percent is negative 14 percent. Recommend increasing net salvage to negative 10 percent. Attachment A shows the adjustment for future interim retirements lowers this estimate to negative 3 percent.

Account 346 Misc. Power Plant Equipment

Historical data shows small retirements with some cost of removal and practically no salvage. Current net salvage approved is zero percent. Historical net salvage shows negative 2 percent and the last five years is consistent with the 2 percent negative. At this time recommend retaining the current zero percent net salvage for this account. Attachment A shows the adjustment for future interim retirements retains the zero percent net salvage for this account.

OPC 1ST 12 - 75

Florida Power & Light

Attachment A. Calculation of Net Salvage Estimate for Generating Plants Based on Estimated Interim Net Salvage

Account	OPC NS	Net Salvage Estimate for Interim Retirements	JP JAR	Survivor Curve	Final Retirement Age	Final Retirement Pct Surviving	Total Interim Retirements as Pct of Total Retirements	Net Salvage Estimate for Interim Retirements	
(1)		(2)		(3)	(4)	(5)	(6)=100%-(5)	(7)=(2)x(6)	
311 Structures & Improvements	-5	(15)	-.27	55 - R2.5	50	64.82%	35.18%	(5)	-1.8
312 Boiler Plant Equipment		(15)	-1.55	40 - R2	50	27.27%	72.73%	(11)	
314 Turbogenerator Units	+10	0	+1	40 - R1	50	33.59%	66.41%	0	6.6
315 Accessory Electric Equipment		(20)	-2.01	45 - R2.5	50	40.04%	59.96%	(12)	
316 Miscellaneous Equipment		(5)	-.57	40 - R2	50	27.27%	72.73%	(4)	
321 Structures & Improvements		0		40 - R3	60	1.47%	98.53%	0	
322 Reactor Plant Equipment	+4	(5)		45 - R2.5	60	14.58%	85.42%	(4)	-1.7
323 Turbogenerator Units		0		35 - R1	60	4.80%	95.20%	0	
324 Accessory Electric Equipment	-2	(20)		45 - R3	60	9.92%	90.08%	(18)	-1.8
325 Miscellaneous Equipment		0		55 - R2.5	60	42.70%	57.30%	0	
341 Structures & Improvements	0	(25)		25 - R5	25	53.62%	46.38%	(12)	0
342 Fuel Holders, Producers & Accessories	0	(5)		22 - R3	25	34.04%	65.96%	(3)	0
343 Prime Movers - General	0	(10)		50 - R1	25	82.67%	17.33%	(2)	0
344 Generators	0	(100)		30 - R5	25	88.60%	11.40%	(11)	0
345 Accessory Electric Equipment	0	(10)		28 - R4	25	73.37%	26.63%	(3)	[illegible]
346 Misc. Power Plant Equipment		0		22 - R4	25	26.59%	73.41%	0	0

Q.
Net Salvage Account 311. For the net salvage information on Exhibit CRC – 1, page 438 for Account 311, please provide the following:

a. A detailed categorization of what was retired;

b. The corresponding dollars for each of the items in (a) above;

c. A detailed narrative identifying what caused the $1,091,531 cost of removal level;

d. A detailed narrative identifying why this specific year of activity is representative of the remaining investment in the account.

A.

a. See FPL's response to Depreciation-OPC's First Request for Production of Documents No. 14.

b. See FPL's response to Depreciation-OPC's First Request for Production of Documents No. 14.

c. See FPL's response to Depreciation-OPC's First Request for Production of Documents No. 14.

d. No specific year was analyzed, but rather all years and bands of years. Years that looked abnormal were given less weight in the analysis. The information derived from examining all years and bands was used to determine estimated future net salvage not any one particular year. This estimate was based on the best information available and because it is based on 22 years of actual history we believe that the resulting net salvage estimate obtained is indicative of the future until new recorded information is available.

PLANT BALANCE 1,591,623

FLORIDA POWER & LIGHT COMPANY
SALVAGE ANALYSIS Structures & Improvements
ACCOUNT 311

RETIREMENTS AS A PERCENT OF BALANCE

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1	1.38	0.27	0.62	0.05	0.13	0.17	0.15	0.17	0.19	0.02
2	1.65	0.89	0.67	0.18	0.30	0.32	0.32	0.36	0.22	
3	2.27	0.94	0.80	0.35	0.45	0.49	0.51	0.39		
4	2.32	1.07	0.97	0.50	0.62	0.68	0.54			
5	2.45	1.24	1.12	0.67	0.82	0.70				
6	2.62	1.39	1.29	0.86	0.84					
7	2.77	1.56	1.49	0.89						
8	2.94	1.76	1.51							
9	3.14	1.78								
10	3.16									

GROSS SALVAGE AS A PERCENT OF RETIREMENTS

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1	0.57	3.89	1.11	21.70	24.76	0.00	0.00	2.40	7.40	0.00
2	1.11	1.95	2.55	23.97	10.95	0.00	1.28	5.06	6.68	
3	1.11	2.93	6.26	12.39	7.34	0.84	3.59	4.79		
4	1.53	5.66	5.17	8.68	5.99	2.70	3.45			
5	2.80	4.89	4.48	7.09	6.32	2.62				
6	2.62	4.37	4.21	7.16	6.17					
7	2.48	4.15	4.63	6.99						
8	2.47	4.51	4.56							
9	2.78	4.46								
10	2.76									

COST OF REMOVAL AS A PERCENT OF RETIREMENT

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1	13.36	14.60	0.48	5.44	14.43	4.03	9.19	6.20	1.07	291.31
2	13.56	4.76	0.83	12.11	8.63	6.45	7.60	3.46	29.25	
3	9.99	4.79	3.10	8.21	8.82	6.37	5.13	19.08		
4	9.90	6.00	3.27	8.50	8.10	4.86	16.32			
5	10.14	5.73	4.06	7.92	6.43	13.37				
6	9.75	6.10	4.34	6.37	13.54					
7	9.72	6.11	3.91	13.11						
8	9.52	5.55	7.90							
9	8.99	8.92								
10	10.86									

NET SALVAGE AS A PERCENT OF RETIREMENTS

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1	-12.79	-10.71	0.62	16.26	10.33	-4.03	-9.19	-3.81	6.33	-291.31
2	-12.45	-2.81	1.72	11.87	2.32	-6.45	-6.32	1.60	-22.57	
3	-8.87	-1.86	3.16	4.19	-1.48	-5.53	-1.54	-14.29		
4	-8.37	-0.33	1.91	0.18	-2.11	-2.15	-12.86			
5	-7.34	-0.84	0.43	-0.83	-0.10	-10.74				
6	-7.13	-1.74	-0.13	0.78	-7.37					
7	-7.24	-1.96	0.72	-6.12						
8	-7.04	-1.04	-3.34							
9	-8.21	-4.46								
10	-8.10									

FLORIDA POWER & LIGHT COMPANY
SALVAGE ANALYSIS Structures & Improvements
ACCOUNT 311

	RETIREMENT	GR SALVAG	CT OF REML	NET SALVAGI	BALANCE
2007	8,170,207	46,827	1,091,531	(1,044,704)	591,591,623
2006	1,597,082	62,066	233,175	(171,109)	591,591,623
2005	3,675,044	40,680	17,763	22,917	591,591,623
2004	276,882	60,082	15,065	45,017	591,591,623
2003	793,361	196,466	114,492	81,974	591,591,623
2002	1,000,255	0	40,339	(40,339)	591,591,623
2001	883,555	0	81,221	(81,221)	591,591,623
2000	1,007,290	24,160	62,496	(38,336)	591,591,623
1999	1,150,667	85,120	12,256	72,864	591,591,623
1998	123,752	0	360,496	(360,496)	591,591,623

ACCUMULATED

	RETIREMENT	GR SALVAG	CT OF REML	NET SALVAGI	BALANCE
2007	8,170,207	46,827	1,091,531	(1,044,704)	591,591,623
2006	9,767,289	108,893	1,324,706	(1,215,813)	591,591,623
2005	13,442,333	149,573	1,342,469	(1,192,896)	591,591,623
2004	13,719,215	209,655	1,357,534	(1,147,879)	591,591,623
2003	14,512,576	406,121	1,472,026	(1,065,905)	591,591,623
2002	15,512,831	406,121	1,512,365	(1,106,244)	591,591,623
2001	16,396,386	406,121	1,593,586	(1,187,465)	591,591,623
2000	17,403,676	430,281	1,656,082	(1,225,801)	591,591,623
1999	18,554,343	515,401	1,668,338	(1,152,937)	591,591,623
1998	18,678,095	515,401	2,028,834	(1,513,433)	591,591,623

Account 311 Net Salvage

	RETIREMENT	OPC 1st pod 14 A1 Pipe Ret			3 yr avg
2007	$8,170,207	$7,179,522	87.87%	-13.00%	78.62%
2006	$1,597,082	$368,206	23.05%	-11.00%	61.07%
2005	$3,675,044	$3,020,814	82.20%	1.00%	63.66%
2004	$276,882	$0	0.00%	16.00%	0.04%
2003	$793,361	$0	0.00%	10.00%	0.29%
2002	$1,000,255	$779	0.08%	-4.00%	7.39%
2001	$883,555	$6,859	0.78%	-9.00%	10.25%
2000	$1,007,290	$205,881	20.44%	-4.00%	16.89%
1999	$1,150,667	$99,115	8.61%	6.00%	
1998	$123,752	$80,293	64.88%		
	$18,678,095	$10,961,468	58.69%		

Pipe represents 16.26% of investment

DC relied on total history, -16%. Discounted the current 3 yr bands & 5 yr band which equalled -9%, -2%, +3%, & +4%, with 5 yr = -7%. (CRC1 p 438-439). Failed to look at what had retired that might have caused change.

25% of NNS in 07 was due to replacement of a retaining wall (OPC 1st POD 12). Retaining walls comprize 0.5% of investment.

55% of NNS in 07 was due to replacement of cooling pond underdrain system. This value skews recent NS to > negative level. Not indicative of what can reasonable be expected with many plants schedule to retire in appx 10 yrs.

Piping comprises 16% of investment, but was 88% of 2007 w/ -13%, & 64% of 05-07 3yr band = -9%. When piping falls to consitent range w/ investment, NS = 0 or small + or - value.

Dikes, ponds, foundations & structures comprise 45% of investment (OPC 1-31) but very little of retirements. These are more the type of invest. to be retired at end of unit life, not interim.

Q.
Net Salvage Account 314. For the net salvage information on Exhibit CRC-1 page 442 for Account 314, please provide the following:

a. A detailed narrative which identifies on a step by step basis how FPL arrived at a zero level of net salvage.

b. A detailed categorization of what was retired by year for the years 2004 through 2007.

c. A detailed categorization of the cost of removal by year for 2004 through 2007, specifically tying the amounts to the categorization of retirements.

d. A detailed narrative of why such net salvage levels are indicative of their remaining investment.

A.

a. The net salvage for this account is for interim retirements only. Net salvage for this account has been up and down; some years there were high salvage and some years there were high removal costs, some year's net salvage is positive and some years it is negative. During the past few years, there have been high costs of removal and high salvage, some years almost netting to zero. Currently, the approved net salvage for this account is negative 2 percent. It is difficult to establish a pattern for this account and, therefore, net salvage was left at zero at this time for this account. See FPL's response to Depreciation - OPC's First Request for Production of Documents No. 12 ("Depr-OPC 1st Set of POD No 12, 4 of 5.doc" and "Depr-OPC 1st Set of POD No 12, 5 of 5.xls").

b. See "OPCs 1st Set POD 16 Attachment 1.xls" included in FPL's response to Depreciation-OPC's First Request for Production of Documents No. 16.

c. See "OPCs 1st Set POD 16 Attachment 2.xls" included in FPL's response to Depreciation-OPC's First Request for Production of Documents No. 16.

d. This estimate is based on the best information we have available at this time for this account and because it is based on 22 years of actual history we will believe it is indicative of the future until new recorded information is available. Until there is a pattern in the data or specific information relating to this account that identifies that cost of removal is outweighing salvage, or vice versa, then the net salvage for this account should remain at zero.

PLANT BALANCE 652,195,820

FLORIDA POWER & LIGHT COMPANY
SALVAGE ANALYSIS Turbogenrertor
ACCOUNT 314

RETIREMENTS AS A PERCENT OF BALANCE

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
1	1.07	1.18	3.19	0.93	0.50	1.15	0.42	0.10	0.08	0.71
2	2.25	4.37	4.12	1.43	1.65	1.57	0.52	0.18	0.76	
3	5.43	5.30	4.62	2.58	2.07	1.67	0.59	0.88		
4	6.37	5.80	5.77	3.00	2.17	1.74	1.30			
5	6.86	6.95	6.19	3.10	2.24	2.45				
6	8.02	7.37	6.29	3.18	2.95					
7	8.43	7.47	6.36	3.88						
8	8.53	7.54	7.07							
9	8.61	8.25								
10	9.32									

GROSS SALVAGE AS A PERCENT OF RETIREMENTS

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
1	10.56	21.18	13.71	40.85	242.00	0.00	0.00	3.08	16.75	0.00
2	16.14	15.73	19.86	111.01	73.24	0.00	0.59	9.00	1.62	
3	14.72	20.15	43.88	61.55	58.45	0.18	2.66	1.78		
4	18.55	39.26	35.13	52.98	55.91	0.90	1.21			
5	34.80	32.76	32.76	51.38	54.59	0.64				
6	29.81	30.90	32.29	50.55	41.48					
7	28.33	30.53	32.10	41.33						
8	28.04	30.39	28.88							
9	27.94	27.78								
10	25.81									

COST OF REMOVAL AS A PERCENT OF RETIREMENT

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
1	53.09	39.21	11.15	31.62	24.28	5.94	45.64	42.68	-227.74	-1.31
2	45.80	18.73	15.78	29.06	11.49	16.51	45.07	-74.43	-23.21	
3	25.48	21.00	16.70	18.76	18.38	18.07	10.15	-15.80		
4	26.38	21.28	14.55	22.50	19.50	7.37	3.91			
5	26.23	18.74	16.65	23.15	11.13	4.86				
6	23.31	20.27	17.06	17.15	8.15					
7	24.42	20.56	14.14	13.78						
8	24.63	18.06	12.59							
9	22.41	16.40								
10	20.60									

NET SALVAGE AS A PERCENT OF RETIREMENTS

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
1	-42.53	-18.03	2.57	9.23	217.72	-5.94	-45.64	-39.60	244.49	1.31
2	-29.66	-3.00	4.08	81.95	61.76	-16.51	-44.48	83.43	24.83	
3	-10.76	-0.85	27.18	42.79	40.07	-17.88	-7.49	17.59		
4	-7.83	17.98	20.58	30.48	36.41	-6.46	-2.70			
5	8.58	14.02	16.11	28.23	43.45	-4.22				
6	6.49	10.64	15.23	33.40	33.33					
7	3.91	9.97	17.96	27.55						
8	3.41	12.33	16.29							
9	5.53	11.38								
10	5.21									

FLORIDA POWER & LIGHT COMPAN
SALVAGE ANALYSIS Turbogenrertor
ACCOUNT 314

	RETIREMENT	GR SALVAG	CT OF REML	NET SALVAGI
2004	6,957,819	735,086	3,693,955	(2,958,869)
2003	7,695,859	1,629,906	3,017,508	(1,387,602)
2002	20,778,442	2,849,760	2,315,929	533,831
2001	6,081,599	2,484,325	1,923,052	561,273
2000	3,257,051	7,882,154	790,783	7,091,371
1999	7,504,624	0	445,473	(445,473)
1998	2,723,650	0	1,242,953	(1,242,953)
1997	647,923	19,960	276,549	(256,589)
1996	494,951	82,898	(1,127,202)	1,210,100
1995	4,622,832	0	(60,520)	60,520

ACCUMULATED

	RETIREMENT	GR SALVAG	CT OF REML	NET SALVAGI
2004	6,957,819	735,086	3,693,955	(2,958,869)
2003	14,653,678	2,364,992	6,711,463	(4,346,471)
2002	35,432,120	5,214,752	9,027,392	(3,812,640)
2001	41,513,719	7,699,077	10,950,444	(3,251,367)
2000	44,770,770	15,581,231	11,741,227	3,840,004
1999	52,275,394	15,581,231	12,186,700	3,394,531
1998	54,999,044	15,581,231	13,429,653	2,151,578
1997	55,646,967	15,601,191	13,706,202	1,894,989
1996	56,141,918	15,684,089	12,579,000	3,105,089
1995	60,764,750	15,684,089	12,518,480	3,165,609

Q.

Net Salvage Account 324. For net salvage information on Exhibit CRC – 1, page 454 for Account 324, please provide the following:

a. A detailed narrative which identifies on a step by step basis how FPL arrived at a negative 18% level of net salvage.

b. A detailed categorization of what was retired by year for the years 2004 through 2006.

c. A detailed categorization of the cost of removal by year for 2004 through 2006, specifically tying the amounts to the categorization of retirements.

d. A detailed narrative of why such net salvage levels are indicative of their remaining investment.

A.

a. Retirements for this account have been fairly constant compared to some of the other nuclear accounts. Cost of removal most always exceeds salvage. The historical data shows net salvage at negative 19 percent. Current approved net salvage is negative 2 percent. The past 5 years shows net salvage increasing to negative 41 percent; recommend increasing current net salvage to negative 20 percent for this account. This net salvage percent was adjusted for future interim retirements which lower this to 18 percent net negative salvage. See FPL's response to Depreciation - OPC's First Request for Production of Documents No. 12 ("Depr-OPC 1st Set of POD No 12, 4 of 5.doc" and "Depr-OPC 1st Set of POD No 12, 5 of 5.xls").

b. See "OPCs 1st Set POD 18 Attachment 1.xls" included in FPL's response to Depreciation-OPC's First Request for Production of Documents No. 18.

c. See "OPCs 1st Set POD 18 Attachment 2.xls" included in FPL's response to Depreciation-OPC's First Request for Production of Documents No. 18.

d. This analysis was conducted on all the actual data that was available and until there is a different pattern in the data or information available that would indicate anything different, this estimate is believed to be indicative of the remaining investment.

PLANT BALANCE 5,613,008

FLORIDA POWER & LIGHT COMPANY
SALVAGE ANALYSIS Accessory Ele. Equip.
ACCOUNT 324

RETIREMENTS AS A PERCENT OF BALANCE

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1	0.09	0.28	0.20	0.05	0.07	0.15	0.06	0.03	0.03	0.00
2	0.37	0.48	0.26	0.12	0.22	0.21	0.09	0.06	0.03	
3	0.57	0.54	0.33	0.28	0.28	0.24	0.12	0.06		
4	0.63	0.61	0.48	0.33	0.31	0.27	0.12			
5	0.69	0.76	0.54	0.36	0.34	0.27				
6	0.85	0.82	0.57	0.40	0.34					
7	0.90	0.85	0.60	0.40						
8	0.94	0.88	0.60							
9	0.97	0.88								
10	0.97									

GROSS SALVAGE AS A PERCENT OF RETIREMENTS

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1	0.00	0.00	5.54	7.64	0.00	0.00	0.98	0.51	0.00	0.00
2	0.00	2.33	5.98	3.36	0.00	0.27	0.82	0.25	0.00	
3	1.97	2.86	4.72	1.50	0.20	0.30	0.59	0.25		
4	2.46	2.54	3.22	1.41	0.23	0.26	0.59			
5	2.22	2.03	2.97	1.33	0.21	0.26				
6	1.82	1.95	2.84	1.22	0.21					
7	1.76	1.90	2.68	1.22						
8	1.72	1.83	2.68							
9	1.66	1.83								
10	1.66									

COST OF REMOVAL AS A PERCENT OF RETIREMENT

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1	14.93	0.43	71.56	253.01	4.37	24.65	1.25	5.68	0.00	0.00
2	3.88	30.31	109.72	113.74	18.33	18.22	2.80	2.74	0.00	
3	27.95	52.72	87.47	64.45	14.80	16.60	2.04	2.74		
4	47.43	47.23	67.47	53.50	13.88	14.59	2.04			
5	43.15	42.69	60.34	49.41	12.54	14.59				
6	39.82	39.77	57.34	45.27	12.54					
7	37.36	38.52	54.17	45.27						
8	36.31	37.06	54.17							
9	35.06	37.06								
10	35.06									

NET SALVAGE AS A PERCENT OF RETIREMENTS

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
1	-14.93	-0.43	-66.02	-245.37	-4.37	-24.65	-0.27	-5.16	0.00	0.00
2	-3.88	-27.99	-103.74	-110.38	-18.33	-17.95	-1.98	-2.49	0.00	
3	-25.98	-49.86	-82.75	-62.95	-14.59	-16.30	-1.44	-2.49		
4	-44.97	-44.69	-64.25	-52.09	-13.65	-14.32	-1.44			
5	-40.94	-40.67	-57.37	-48.08	-12.33	-14.32				
6	-38.01	-37.81	-54.50	-44.05	-12.33					
7	-35.60	-36.61	-51.48	-44.05						
8	-34.59	-35.23	-51.48							
9	-33.40	-35.23								
10	-33.40									

FLORIDA POWER & LIGHT COMPANY
SALVAGE ANALYSIS Accessory Ele. Equip.
ACCOUNT 324

	RETIREMENT	GR SALVAG	CT OF REML	NET SALVAGI	BALANCE
2007	486,494	0	72,614	(72,614)	555,613,008
2006	1,559,374	0	6,776	(6,776)	555,613,008
2005	1,129,442	62,555	808,251	(745,696)	555,613,008
2004	300,767	22,980	760,969	(737,989)	555,613,008
2003	383,028	0	16,756	(16,756)	555,613,008
2002	846,697	0	208,681	(208,681)	555,613,008
2001	320,817	3,142	4,005	(883)	555,613,008
2000	172,937	889	9,815	(8,926)	555,613,008
1999	185,024	0	0	0	555,613,008
1998	0	0	0	0	555,613,008

ACCUMULATED

	RETIREMENT	GR SALVAG	CT OF REML	NET SALVAGI	BALANCE
2007	486,494	0	72,614	(72,614)	555,613,008
2006	2,045,868	0	79,390	(79,390)	555,613,008
2005	3,175,310	62,555	887,641	(825,086)	555,613,008
2004	3,476,077	85,535	1,648,610	(1,563,075)	555,613,008
2003	3,859,105	85,535	1,665,366	(1,579,831)	555,613,008
2002	4,705,802	85,535	1,874,047	(1,788,512)	555,613,008
2001	5,026,619	88,677	1,878,052	(1,789,375)	555,613,008
2000	5,199,556	89,566	1,887,867	(1,798,301)	555,613,008
1999	5,384,580	89,566	1,887,867	(1,798,301)	555,613,008
1998	5,384,580	89,566	1,887,867	(1,798,301)	555,613,008

Account 324.0
Retirements

Ledger Year	Reason	Work Order Number	Retirement Units	Quantity	Amount
2004	O=OPERATION	01944-070-0915-007 - replace model dhp 4.16kv breakers (Site:st lucie unit 1)	CIRCUIT BKR. RATED 500 AMPS OR GREATER	6	60,863.05
		01944-070-0915-007 - replace model dhp 4.16kv breakers (Site:st lucie unit 1) Total		6	60,863.05
		02014-070-0915-007 - replace 1a battery (Site:st lucie unit 1)	ALL OTHER STATION BATTERY EQUIPMENT	0	62,963.40
		02014-070-0915-007 - replace 1a battery (Site:st lucie unit 1) Total		0	62,963.40
		02015-070-0915-007 - replace 1b battery (Site:st lucie unit 1)	ALL OTHER STATION BATTERY EQUIPMENT	0	62,963.40
		02015-070-0915-007 - replace 1b battery (Site:st lucie unit 1) Total		0	62,963.40
	O=OPERATION Total			6	186,789.85
	V=IMPROVE	02290-070-0914-007 - ptn u3 4160v switchgear breaker replacements (Site:turkey point nuclear-un)	CIRCUIT BKR. RATED 500 AMPS OR GREATER	10	113,977.19
		02290-070-0914-007 - ptn u3 4160v switchgear breaker replacements (Site:turkey point nuclear-un) Total		10	113,977.19
	V=IMPROVE Total			10	113,977.19
2004 Total				16	300,767.04
2005	O=OPERATION	01945-070-0910-007 - replace model dhp 416kv breakers (Site:st lucie unit 2)	CIRCUIT BKR. RATED 500 AMPS OR GREATER	24	914,385.24
			CO-OWNER PAYMENT ORLANDO UTILITIES COMMISSION	0	(70,877.88)
		01945-070-0910-007 - replace model dhp 416kv breakers (Site:st lucie unit 2) Total		24	843,507.36
	O=OPERATION Total			24	843,507.36
	V=IMPROVE	09552-070-0915-006 - plant data network-phase 1 (Site:st lucie-unit 1)	ANNUNCIATOR/SOE/DATA ACQUISITION EQUIP	1	286,341.23
			CO-OWNER PAYMENT ORLANDO UTILITIES COMMISSION	0	(203.37)
			CO-OWNER PMT FMPA	0	(203.37)
		09552-070-0915-006 - plant data network-phase 1 (Site:st lucie-unit 1) Total		1	285,934.49
	V=IMPROVE Total			1	285,934.49
2005 Total				25	1,129,441.85
2006	O=OPERATION	01945-070-0910-007 - replace model dhp 416kv breakers (Site:st lucie unit 2)	CIRCUIT BKR. RATED 500 AMPS OR GREATER	(5)	(177,813.50)
		01945-070-0910-007 - replace model dhp 416kv breakers (Site:st lucie unit 2) Total		(5)	(177,813.50)
		02899-070-0915-007 - replace 4 16kv and 69kv model dhp breakers (Site:st lucie unit 1)	CIRCUIT BKR. RATED 500 AMPS OR GREATER	45	499,566.47
		02899-070-0915-007 - replace 4 16kv and 69kv model dhp breakers (Site:st lucie unit 1) Total		45	499,566.47
		03302-070-0910-007 - replace 4 16kv and 6.9 kv model dhp (Site:st lucie unit 2)	CIRCUIT BKR. RATED 500 AMPS OR GREATER	27	1,036,547.20
			CO-OWNER PAYMENT ORLANDO UTILITIES COMMISSION	0	(2,726.76)
			CO-OWNER PMT FMPA	0	(3,878.93)
		03302-070-0910-007 - replace 4 16kv and 6.9 kv model dhp (Site:st lucie unit 2) Total		27	1,029,941.51
		03733-070-0915-007 - replace 416kv model dhp breakers (Site:st lucie unit 1)	CIRCUIT BKR. RATED 500 AMPS OR GREATER	5	50,719.20

Account 324.0
Retirements

2006	O=OPERATION	03733-070-0915-007 - replace 416kv model dhp breakers (Site:st lucie unit 1) Total		5	50,719.20
		03973-070-0914-007 - ptn u3 control room recorder replacements (Site:turkey point nuclear)	RECORDERS	2	1,691.76
		03973-070-0914-007 - ptn u3 control room recorder replacements (Site:turkey point nuclear) Total		2	1,691.76
		04085-070-0910-007 - replace 4 16kv model dhp breakers (Site:st lucie unit 2)	CIRCUIT BKR. RATED 500 AMPS OR GREATER	4	152,397.55
		04085-070-0910-007 - replace 4 16kv model dhp breakers (Site:st lucie unit 2) Total		4	152,397.55
		04128-070-0914-007 - ptn u4 control room recorder replacements (Site:turkey point nuclear)	RECORDERS	2	1,435.36
		04128-070-0914-007 - ptn u4 control room recorder replacements (Site:turkey point nuclear) Total		2	1,435.36
		04838-070-0914-007 - ptn u4 control room recorder replacements (Site:turkey point nuclear)	RECORDERS	2	1,435.36
		04838-070-0914-007 - ptn u4 control room recorder replacements (Site:turkey point nuclear) Total		2	1,435.36
	O=OPERATION Total			82	1,559,373.71
2006 Total				82	1,559,373.71
Grand Total				123	2,989,582.60

Account 324
Cost of Removal

Ledger Year	Reason	Work Order	Total
2004	O=OPERATION	01944-070-0915-007 - replace model dhp 4.16kv breakers (Site:st lucie unit 1)	2,013.09
		02014-070-0915-007 - replace 1a battery (Site:st lucie unit 1)	17,052.00
		02015-070-0915-007 - replace 1b battery (Site:st lucie unit 1)	17,052.00
	O=OPERATION Total		36,117.09
	T=OTHER	08104-070-0009-007 - 2004 capital credits received for psl #2 (Site:st lucie plant-unit 2)	(22,091.10)
	T=OTHER Total		(22,091.10)
	V=IMPROVE	02290-070-0914-007 - ptn u3 4160v switchgear breaker replacements (Site:turkey point nuclear-un)	5,407.33
		09553-070-0910-006 - plant data network-ddps/soer (Site:st lucie-unit 2)	741,535.18
	V=IMPROVE Total		746,942.51
2004 Total			760,968.50
2005	O=OPERATION	01945-070-0910-007 - replace model dhp 416kv breakers (Site:st lucie unit 2)	11,590.53
		02899-070-0915-007 - replace 4 16kv and 69kv model dhp breakers (Site:st lucie unit 1)	30.00
	O=OPERATION Total		11,620.53
	V=IMPROVE	09552-070-0915-006 - plant data network-phase 1 (Site:st lucie-unit 1)	796,630.93
	V=IMPROVE Total		796,630.93
2005 Total			808,251.46
2006	O=OPERATION	03973-070-0914-007 - ptn u3 control room recorder replacements (Site:turkey point nuclear)	2,696.81
		04128-070-0914-007 - ptn u4 control room recorder replacements (Site:turkey point nuclear)	1,382.52
		04838-070-0914-007 - ptn u4 control room recorder replacements (Site:turkey point nuclear)	2,696.81
	O=OPERATION Total		6,776.14
2006 Total			6,776.14
Grand Total			1,575,996.10

Account 341.0
Retirements

Ledger Year	Reason	Work Order Number	Retirement Units	Quantity	Amount
2006	O=OPERATION	04490-070-0905-007 - replace ppn service bldg a/c unit (Site:putnam plant) Total		2	17,804.48
		04491-070-0905-007 - replace ppn control room bldg a/c unit (Site:putnam plant)	AIR HANDLER	1	5,248.06
			CONDENSER/COMPRESSOR	1	3,936.30
		04491-070-0905-007 - replace ppn control room bldg a/c unit (Site:putnam plant) Total		2	9,184.36
	O=OPERATION Total			8	239,754.12
2006 Total				10	484,093.46
2007	C=DETERIORATION/FA	05566-070-0908-007 - PFL - Replace the controller at water treatment plant	CONTROL/INSTRUMENTATION SYSTEM	0	4,643.00
		05566-070-0908-007 - PFL - Replace the controller at water treatment plant Total		0	4,643.00
		06029-070-0908-007 - Rewind 5B open cooling water pump motor	MOTOR STATIONARY WINDING ASSEMBLY	1	24,265.15
		06029-070-0908-007 - Rewind 5B open cooling water pump motor Total		1	24,265.15
	C=DETERIORATION/FAILURE Total			1	28,908.15
	O=OPERATION	02230-070-0908-007 - pfl wtp vacuum degasifier pump replacements (Site:fort lauderdale-co	PUMP COMPLETE	3	91,891.21
		02230-070-0908-007 - pfl wtp vacuum degasifier pump replacements (Site:fort lauderdale-common) Total		3	91,891.21
		04129-070-0908-007 - pfl control room bldg hvac coils replacement (Site:fort lauderdale-com	CONDENSER/COMPRESSOR	10	710,690.44
		04129-070-0908-007 - pfl control room bldg hvac coils replacement (Site:fort lauderdale-common) Total		10	710,690.44
		04630-070-0911-007 - replace 2 raw water wells at pfm (Site:ft myers plant common - 505)	RAW WATER WELL	2	130,103.92
		04630-070-0911-007 - replace 2 raw water wells at pfm (Site:ft myers plant common - 505) Total		2	130,103.92
		04975-070-0923-007 - ppe 3 gt bldg 1 fire protection sys replacement (Site:port everglades g	FIRE PROTECTION SYS COMPLETE	1	95,439.90
		04975-070-0923-007 - ppe 3 gt bldg 1 fire protection sys replacement (Site:port everglades gts) Total		1	95,439.90
		05299-070-0905-007 - replace ppn service bldg a/c (Site:putnam plant)	CONDENSER/COMPRESSOR	1	3,815.25
		05299-070-0905-007 - replace ppn service bldg a/c (Site:putnam plant) Total		1	3,815.25
		05300-070-0905-007 - replace ppn shift shop bldg a/c (Site:putnam plant)	HVAC SYSTEM COMPLETE	0	5,658.16
		05300-070-0905-007 - replace ppn shift shop bldg a/c (Site:putnam plant) Total		0	5,658.16
		05405-070-0907-007 - psn common replace storeroom hvac condensing (Site:sanford plant	CONDENSER/COMPRESSOR	1	1,221.00
		05405-070-0907-007 - psn common replace storeroom hvac condensing (Site:sanford plant site common) Total		1	1,221.00
		05406-070-0907-007 - psn common replace battery room air handler (Site:sanford plant site	AIR HANDLER	1	10,694.11
		05406-070-0907-007 - psn common replace battery room air handler (Site:sanford plant site common) Total		1	10,694.11
	O=OPERATION Total			19	1,049,513.99
	V=IMPROVE	05754-070-0911-007 - PFM Combined Cycle Common Plant: Install Raw Water Well	RAW WATER WELL	2	39,740.81
		05754-070-0911-007 - PFM Combined Cycle Common Plant: Install Raw Water Well Total		2	39,740.81
	V=IMPROVE Total			2	39,740.81
2007 Total				22	1,118,162.95
Grand Total				3,334	2,285,913.36

080677 Hearing Exhibits - 0001175

OPC 012057

OPC 1st POD #20 A.

Account 344.0
Retirements

Ledger Year	Reason Code	Work Order Number	Retirement Units	Quantity	Amount
2003	A=SYSTEM UPGRADE/N	07500-070-0009-006 - retirement corrections #4 found during prs/cpr exa(Site:[illegible]	[illegible]	(1)	(67,238.10)
		07500-070-0009-006 - retirement corrections #4 found during prs/cpr exa(Site:property accounting) Total		(1)	(67,238.10)
	A=SYSTEM UPGRADE/NEW SYSTEM Total			(1)	(67,238.10)
	O=OPERATION	01025-070-0905-007 - ppn 2gt2 generator rewedge (Site:putnam plant)	WEDGE SYSTEM	1	67,238.10
		01025-070-0905-007 - ppn 2gt2 generator rewedge (Site:putnam plant) Total		1	67,238.10
		01026-070-0905-007 - ppn2 steam turbine generator rewedge (Site:putnam pla	WEDGE SYSTEM	1	67,238.10
		01026-070-0905-007 - ppn2 steam turbine generator rewedge (Site:putnam plant) Total		1	67,238.10
		01171-070-0921-007 - replace rotor coils at pfl gt 7 (Site:pfl gt)	ROTOR	0	44,839.57
		01171-070-0921-007 - replace rotor coils at pfl gt 7 (Site:pfl gt) Total		0	44,839.57
		09710-070-0916-006 - generator stator rewind psn4 (Site:sanford plant)	STATOR	0	729,661.26
		09710-070-0916-006 - generator stator rewind psn4 (Site:sanford plant) Total		0	729,661.26
	O=OPERATION Total			2	908,977.03
	V=IMPROVE	08825-070-0909-006 - pfm repowering outage-u2 generator rewedge (Site:fort	STATOR	0	63,311.73
		08825-070-0909-006 - pfm repowering outage-u2 generator rewedge (Site:fort myers plant) Total		0	63,311.73
		08908-070-0916-006 - psn repowering-replace unit 4 exciter (Site:sanford plan	CONTROL/INSTRUMENTATION SYSTEM	2	46,049.50
			ENCLOSURE	1	24,392.73
			HEAT EXCHANGER, SHELL	2	3,181.66
			HEATING SYSTEM	1	3,181.66
			ROTOR (MAIN EXCITER)	1	132,829.09
			ROTOR (PILOT EXCITER)	1	5,302.76
			STATOR (MAIN EXCITER)	1	21,211.07
			STATOR (PILOT EXCITER)	1	3,181.66
		08908-070-0916-006 - psn repowering-replace unit 4 exciter (Site:sanford plant) Total		10	239,330.13
		09172-070-0916-006 - psn4 repowering-plant refurbishment (Site:sanford plant	GENERATOR COOLING AND PURGE EQUIPMENT	1	186,141.30
		09172-070-0916-006 - psn4 repowering-plant refurbishment (Site:sanford plant) Total		1	186,141.30
	V=IMPROVE Total			11	488,783.16
2003 Total				12	1,330,522.09
2004	O=OPERATION	01345-070-0921-007 - replace rotor coils & pfl gt2 (Site:pfl gt)	ROTOR	0	44,839.57
		01345-070-0921-007 - replace rotor coils & pfl gt2 (Site:pfl gt) Total		0	44,839.57
		01619-070-0908-007 - pfl unit 4 generator stator rewind (Site:fort lauderdale ur	STATOR	3	336,195.68
		01619-070-0908-007 - pfl unit 4 generator stator rewind (Site:fort lauderdale unit 4) Total		3	336,195.68
		01674-070-0923-007 - replace rotor coils (Site:port everglades gt)	ROTOR COILS	1	70,939.34
		01674-070-0923-007 - replace rotor coils (Site:port everglades gt) Total		1	70,939.34
		01775-070-0908-007 - 4b ct generator rewedge (Site:lauderdale unit 4b ct)	WEDGE SYSTEM	1	102,752.29
		01775-070-0908-007 - 4b ct generator rewedge (Site:lauderdale unit 4b ct) Total		1	102,752.29
		01776-070-0908-007 - 4a ct generator rewedge (Site:lauderdale unit 4a ct)	WEDGE SYSTEM	1	102,752.29
		01776-070-0908-007 - 4a ct generator rewedge (Site:lauderdale unit 4a ct) Total		1	102,752.29
		02116-070-0923-007 - ppe gt unit 3 rotor coil replacement (Site:port everglades	ROTOR COILS	1	70,939.34
		02116-070-0923-007 - ppe gt unit 3 rotor coil replacement (Site:port everglades gt) Total		1	70,939.34
		02121-070-0905-007 - replace ppn 1gt2 exciter rotor coil (Site:putnam plant)	ROTOR COILS	1	33,024.06
		02121-070-0905-007 - replace ppn 1gt2 exciter rotor coil (Site:putnam plant) Total		1	33,024.06
		02229-070-0922-007 - pfm gt #9 generator rewedge (Site:ft myers power plant	ROTOR	1	328,913.43

2003

080677 Hearing Exhibits - 00001176

OPC 012058

Account 344.0
Retirements

Ledger Year	Reason Code	Work Order Number	Retirement Units	Quantity	Amount
2004	O=OPERATION	02229-070-0922-007 - pfm gt #9 generator rewedge (Site:ft myers power plant)	STATOR	0	8,228.80
		02229-070-0922-007 - pfm gt #9 generator rewedge (Site:ft myers power plant) Total		1	337,142.23
	O=OPERATION Total			9	1,098,584.80
2004 Total				9	1,098,584.80
2005	O=OPERATION	02520-070-0922-007 - replace wedge system gt 1 (Site:ft myers gt's u1)	ROTOR	1	328,913.43
			STATOR	0	8,228.80
		02520-070-0922-007 - replace wedge system gt 1 (Site:ft myers gt's u1) Total		1	337,142.23
		02758-070-0921-007 - pfl gt unit 2-19 generator rotor coils replacement(Site:fo	ROTOR COILS	1	86,228.28
		02758-070-0921-007 - pfl gt unit 2-19 generator rotor coils replacement(Site:fort lauderdale gts) Total		1	86,228.28
		02800-070-0923-007 - ppe gt unit 3-11 generator rotor coils replacement(Site:p	ROTOR COILS	1	70,939.34
		02800-070-0923-007 - ppe gt unit 3-11 generator rotor coils replacement(Site:port everglades gts) Total		1	70,939.34
		02956-070-0905-007 - replace 2gt2 exciter rotor (Site:putnam plant)	ROTOR (MAIN EXCITER)	1	33,024.06
		02956-070-0905-007 - replace 2gt2 exciter rotor (Site:putnam plant) Total		1	33,024.06
	O=OPERATION Total			4	527,333.91
2005 Total				4	527,333.91
2006	O=OPERATION	02807-070-0908-007 - pfl unit 5 generator stator rewind (Site:fort lauderdale un	STATOR	3	244,923.39
		02807-070-0908-007 - pfl unit 5 generator stator rewind (Site:fort lauderdale unit 5) Total		3	244,923.39
		03632-070-0905-007 - replace ppn 1gt1 exciter rotor (Site:putnam plant)	ROTOR (MAIN EXCITER)	1	33,024.06
		03632-070-0905-007 - replace ppn 1gt1 exciter rotor (Site:putnam plant) Total		1	33,024.06
		03663-070-0905-007 - replace ppn 1gt1 gen wedge system (Site:putnam plant	WEDGE SYSTEM	1	57,539.00
		03663-070-0905-007 - replace ppn 1gt1 gen wedge system (Site:putnam plant) Total		1	57,539.00
		03975-070-0922-007 - replace wedge system gt 8 (Site:ft myers gt's u8)	STATOR	0	8,228.80
		03975-070-0922-007 - replace wedge system gt 8 (Site:ft myers gt's u8) Total		0	8,228.80
		04025-070-0905-007 - replace ppn 1 s.t. exciter rotor (Site:putnam plant)	ROTOR (MAIN EXCITER)	1	33,024.06
		04025-070-0905-007 - replace ppn 1 s.t. exciter rotor (Site:putnam plant) Total		1	33,024.06
		04029-070-0905-007 - replace ppn 1gt2 gen wedge system (Site:putnam plant	WEDGE SYSTEM	1	57,539.00
		04029-070-0905-007 - replace ppn 1gt2 gen wedge system (Site:putnam plant) Total		1	57,539.00
		04291-070-0928-007 - replace pmg3 s.t.gen wedge system (Site:martin unit 3	WEDGE SYSTEM	0	263,946.56
		04291-070-0928-007 - replace pmg3 s.t.gen wedge system (Site:martin unit 3) Total		0	263,946.56
		04292-070-0928-007 - replace pmg3a gen wedge system (Site:martin-unit 3)	WEDGE SYSTEM	0	135,192.14
		04292-070-0928-007 - replace pmg3a gen wedge system (Site:martin-unit 3) Total		0	135,192.14
		04293-070-0928-007 - replace pmg3b gen wedge system (Site:martin-unit 3)	WEDGE SYSTEM	0	135,192.14
		04293-070-0928-007 - replace pmg3b gen wedge system (Site:martin-unit 3) Total		0	135,192.14
	O=OPERATION Total			7	968,609.15
	V=IMPROVE	04260-070-0922-007 - replace gt 9 rotor (Site:ft myers gt)	ROTOR	1	365,459.37
			STATOR	0	8,228.80
		04260-070-0922-007 - replace gt 9 rotor (Site:ft myers gt) Total		1	373,688.17
	V=IMPROVE Total			1	373,688.17
2006 Total				8	1,342,297.32
Grand Total				33	4,298,738.12

Account 341
Cost of Removal

Ledger Year	Reason	Work Order	Total
2004	O=OPERATION	01365-070-0903-007 - replace psn hydrogen house roof (Site:sanford plant)	1,954.40
		01599-070-0916-007 - replace psn4 switchgear room roof (Site:sanford plant)	15,386.40
		01600-070-0916-007 - replace psn5 switchgear room roof (Site:sanford plant)	16,615.26
		01624-070-0903-007 - replace lunch room hvac system (Site:sanford plant)	2,840.00
		01715-070-0903-007 - replace psn service building roof (Site:sanford plant)	29,744.00
		01823-070-0903-007 - replace psn stores/lunchroom bldg roof (Site:sanford plant)	28,000.00
	O=OPERATION Total		94,540.06
	V=IMPROVE	01314-070-0921-007 - replace fire protection system (Site:fort lauderdale gt's)	6,121.79
		01371-070-0928-007 - replace hvac system service building (Site:martin plant)	11,700.00
		01372-070-0928-007 - replace hvac system control room building (Site:martin plant unit 3&4)	11,700.00
		01874-070-0921-007 - replace fire protection system pfl gt units 17-20 (Site:fort lauderdale gt's)	7,512.75
		09172-070-0916-006 - psn4 repowering-plant refurbishment (Site:sanford plant)	28,930.00
	V=IMPROVE Total		65,964.54
2004 Total			160,504.60
2005	O=OPERATION	02690-070-0928-007 - replace 3b intake cooling pump/motor (Site:martin plant u3)	4,660.21
		03257-070-0905-007 - replace ppn 2c acw pump motor (Site:putnam plant)	5,306.68
		09933-070-0952-006 - pmr & combined cycle conversion project (Site:martin plant un8 com cyc)	710,911.53
	O=OPERATION Total		720,878.42
2005 Total			720,878.42
2006	H=HURRICANES	03522-070-0921-007 - replace gt shop roof at pfl (Site:ft lauderdale gt's)	29,670.00
	H=HURRICANES/MAJOR STORMS Total		29,670.00
	O=OPERATION	02757-070-0921-007 - pfl gt units 21-24 fire protection system repl (Site:fort lauderdale gts)	2,000.00
		02966-070-0911-007 - replace 460sy discharge canal retaining wall (Site:ft myers plant)	6,422.03
		03593-070-0921-007 - pfl gt fire protection system replacement (Site:fort lauderdale gts)	1,439.04
		04355-070-0908-007 - pfl waste water treatment pond liner replacement (Site:fort lauderdale-common)	53,316.93
		04490-070-0905-007 - replace ppn service bldg a/c unit (Site:putnam plant)	500.00
		04491-070-0905-007 - replace ppn control room bldg a/c unit (Site:putnam plant)	500.00
	O=OPERATION Total		64,178.00
2006 Total			93,848.00
2007	O=OPERATION	02230-070-0908-007 - pfl wtp vacuum degasifier pump replacements (Site:fort lauderdale-common)	5,927.79
		04129-070-0908-007 - pfl control room bldg hvac coils replacement (Site:fort lauderdale-common)	17,500.00
		04355-070-0908-007 - pfl waste water treatment pond liner replacement (Site:fort lauderdale-common)	(27,841.41)
		04371-070-0908-007 - pfl wtp degasifier product pump/motor replacement (Site:fort lauderdale-common)	578.80
		04630-070-0911-007 - replace 2 raw water wells at pfm (Site:ft myers plant common - 505)	4,100.00

Account 341
Cost of Removal

Ledger Year	Reason	Work Order	Total
2007	O=OPERATION	04975-070-0923-007 - ppe 3 gt bldg 1 fire protection sys replacement (Site:port everglades gts)	1,352.03
		05299-070-0905-007 - replace ppn service bldg a/c (Site:putnam plant)	571.43
		05300-070-0905-007 - replace ppn shift shop bldg a/c (Site:putnam plant)	2,038.94
		05405-070-0907-007 - psn common replace storeroom hvac condensing (Site:sanford plant site common)	1,442.06
		05406-070-0907-007 - psn common replace battery room air handler (Site:sanford plant site common)	824.60
	O=OPERATION Total		6,494.24
	V=IMPROVE	05431-070-0919-007 - pfm 3b install/remove ct parts (outage) (Site:fort myers simple cycle)	109,728.05
		05754-070-0911-007 - PFM Combined Cycle Common Plant: Install Raw Water Well	950.00
	V=IMPROVE Total		110,678.05
2007 Total			117,172.29
Grand Total			1,092,403.31

Account 34?.0
Retirements

Ledger Year	Reason	Work Order Number	Retirement Units	Quantity	Amount
2004	O=OPERATION	01599-070-0916-007 - replace psn4 switchgear room roof (Site:sanford plant)	ROOF	720	17,590.97
		01599-070-0916-007 - replace psn4 switchgear room roof (Site:sanford plant) Total		720	17,590.97
		01600-070-0916-007 - replace psn5 switchgear room roof (Site:sanford plant)	ROOF	720	15,403.43
		01600-070-0916-007 - replace psn5 switchgear room roof (Site:sanford plant) Total		720	15,403.43
		01624-070-0903-007 - replace lunch room hvac system (Site:sanford plant)	HVAC SYSTEM COMPLETE	1	36,375.69
		01624-070-0903-007 - replace lunch room hvac system (Site:sanford plant) Total		1	36,375.69
		01715-070-0903-007 - replace psn service building roof (Site:sanford plant)	ROOF	1,109	111,292.92
		01715-070-0903-007 - replace psn service building roof (Site:sanford plant) Total		1,109	111,292.92
		01823-070-0903-007 - replace psn stores/lunchroom bldg roof (Site:sanford plant)	ROOF	748	12,154.50
		01823-070-0903-007 - replace psn stores/lunchroom bldg roof (Site:sanford plant) Total		748	12,154.50
	O=OPERATION Total			3,298	192,817.51
	V=IMPROVE	01314-070-0921-007 - replace fire protection system (Site:fort lauderdale gt's)	SUPERSTRUCTURE	0	36,050.16
		01314-070-0921-007 - replace fire protection system (Site:fort lauderdale gt's) Total		0	36,050.16
		01371-070-0928-007 - replace hvac system service building (Site:martin plant)	HVAC SYSTEM COMPLETE	1	142,170.48
		01371-070-0928-007 - replace hvac system service building (Site:martin plant) Total		1	142,170.48
		01372-070-0928-007 - replace hvac system control room building (Site:martin plant unit 3&4	HVAC SYSTEM COMPLETE	1	123,292.30
		01372-070-0928-007 - replace hvac system control room building (Site:martin plant unit 3&4) Total		1	123,292.30
		01874-070-0921-007 - replace fire protection system pfl gt units 17-20 (Site:fort lauderdale g	SUPERSTRUCTURE	0	36,050.16
		01874-070-0921-007 - replace fire protection system pfl gt units 17-20 (Site:fort lauderdale gt's) Total		0	36,050.16
	V=IMPROVE Total			2	337,563.10
2004 Total				3,300	530,380.61
2005	O=OPERATION	02690-070-0928-007 - replace 3b intake cooling pump/motor (Site:martin plant u3)	DRIVE, ELECTRIC MOTOR, COMPLETE	1	19,864.94
			PUMP COMPLETE	1	29,797.40
		02690-070-0928-007 - replace 3b intake cooling pump/motor (Site:martin plant u3) Total		2	49,662.34
		02966-070-0911-007 - replace 460sy discharge canal retaining wall (Site:ft myers plant)	DISCHARGE CANAL	0	103,614.00
		02966-070-0911-007 - replace 460sy discharge canal retaining wall (Site:ft myers plant) Total		0	103,614.00
	O=OPERATION Total			2	153,276.34
2005 Total				2	153,276.34
2006	H=HURRICANES/MAJOI	03522-070-0921-007 - replace gt shop roof at pfl (Site:ft lauderdale gt's)	ROOF	2	244,339.34
		03522-070-0921-007 - replace gt shop roof at pfl (Site:ft lauderdale gt's) Total		2	244,339.34
	H=HURRICANES/MAJOR STORMS Total			2	244,339.34
	O=OPERATION	02757-070-0921-007 - pfl gt units 21-24 fire protection system repl (Site:fort lauderdale gts)	SUPERSTRUCTURE	0	54,434.25
		02757-070-0921-007 - pfl gt units 21-24 fire protection system repl (Site:fort lauderdale gts) Total		0	54,434.25
		03257-070-0905-007 - replace ppn 2c acw pump motor (Site:putnam plant)	DRIVE, ELECTRIC MOTOR, COMPLETE	1	12,967.87
		03257-070-0905-007 - replace ppn 2c acw pump motor (Site:putnam plant) Total		1	12,967.87
		03593-070-0921-007 - pfl gt fire protection system replacement (Site:fort lauderdale gts)	SUPERSTRUCTURE	0	58,857.14
		03593-070-0921-007 - pfl gt fire protection system replacement (Site:fort lauderdale gts) Total		0	58,857.14
		04355-070-0908-007 - pfl waste water treatment pond liner replacement (Site:fort lauderdale	LINER, COMPLETE	1	54,872.62
		04355-070-0908-007 - pfl waste water treatment pond liner replacement (Site:fort lauderdale-common) Total		1	54,872.62
		04371-070-0908-007 - pfl wtp degasifier product pump/motor replacement (Site:fort lauderda	PUMP COMPLETE	1	30,630.40
		04371-070-0908-007 - pfl wtp degasifier product pump/motor replacement (Site:fort lauderdale-common) Total		1	30,630.40
		04375-070-0908-007 - pfl wt-5 sump pump/motor replacement (Site:fort lauderdale-common	PUMP COMPLETE	1	1,003.00
		04375-070-0908-007 - pfl wt-5 sump pump/motor replacement (Site:fort lauderdale-common) Total		1	1,003.00
		04490-070-0905-007 - replace ppn service bldg a/c unit (Site:putnam plant)	AIR HANDLER	1	10,173.98
			CONDENSER/COMPRESSOR	1	7,630.50

OPC 1ST POD #20 #2

ACT 344

LYR	DERR SUMMARY DE	ORK ORDER NUMBE
2003	Putnam U2	01026-070-0905-007
2003	FtLauderdale GTs	01171-070-0921-007
2003	FtLauderdale GTs	01345-070-0921-007
2003	Putnam U1	01388-070-0905-007
2003	Sanford U5	09538-070-0916-006
2004	Putnam U1	01388-070-0905-007
2004	FtLauderdale U4	01619-070-0908-007
2004	PtEverglades GTs	01674-070-0923-007
2004	FtLauderdale U4	01775-070-0908-007
2004	FtLauderdale U4	01776-070-0908-007
2004	PtEverglades GTs	02116-070-0923-007
2004	Putnam U1	02121-070-0905-007
2004	FtMyers GTs	02229-070-0922-007
2004	Sanford U4	09710-070-0916-006
2005	FtMyers GTs	02229-070-0922-007
2005	FtMyers GTs	02520-070-0922-007
2005	PtEverglades GTs	02800-070-0923-007
2005	FtLauderdale U5	02807-070-0908-007
2005	Putnam U2	02956-070-0905-007
2006	FtLauderdale GTs	02758-070-0921-007
2006	FtLauderdale U5	02807-070-0908-007
2006	Putnam U1	03632-070-0905-007
2006	Putnam U1	03663-070-0905-007
2006	FtMyers GTs	03975-070-0922-007
2006	Putnam U1	04025-070-0905-007
2006	Putnam U1	04029-070-0905-007
2006	FtMyers GTs	04260-070-0922-007
2006	Martin U3	04291-070-0928-007
2006	Martin U3	04292-070-0928-007
2006	Martin U3	04293-070-0928-007

OPC 1st POD #2 A2

Work Order
01026-070-0905-007 - ppn2 steam turbine generator rewedge (Site:putnam plant)
01171-070-0921-007 - replace rotor coils at pfl gt 7 (Site:pfl gt)
01345-070-0921-007 - replace rotor coils & pfl gt2 (Site:pfl gt)
01388-070-0905-007 - ppn 1 s.t. generator rewedge (Site:putnam plant)
09538-070-0916-006 - generator stator rewind psn5 (Site:sanford plant
01388-070-0905-007 - ppn 1 s.t. generator rewedge (Site:putnam plant)
01619-070-0908-007 - pfl unit 4 generator stator rewind (Site:fort lauderdale unit 4)
01674-070-0923-007 - replace rotor coils (Site:port everglades gt)
01775-070-0908-007 - 4b ct generator rewedge (Site:lauderdale unit 4b ct)
01776-070-0908-007 - 4a ct generator rewedge (Site:lauderdale unit 4a ct)
02116-070-0923-007 - ppe gt unit 3 rotor coil replacement (Site:port everglades gt)
02121-070-0905-007 - replace ppn 1gt2 exciter rotor coil (Site:putnam plant)
02229-070-0922-007 - pfm gt #9 generator rewedge (Site:ft myers power plant)
09710-070-0916-006 - generator stator rewind psn4 (Site:sanford plant)
02229-070-0922-007 - pfm gt #9 generator rewedge (Site:ft myers power plant)
02520-070-0922-007 - replace wedge system gt 1 (Site:ft myers gt's u1)
02800-070-0923-007 - ppe gt unit 3-11 generator rotor coils replacement(Site:port everglades gts)
02807-070-0908-007 - pfl unit 5 generator stator rewind (Site:fort lauderdale unit 5)
02956-070-0905-007 - replace 2gt2 exciter rotor (Site:putnam plant)
02758-070-0921-007 - pfl gt unit 2-19 generator rotor coils replacement(Site:fort lauderdale gts)
02807-070-0908-007 - pfl unit 5 generator stator rewind (Site:fort lauderdale unit 5)
03632-070-0905-007 - replace ppn 1gt1 exciter rotor (Site:putnam plant)
03663-070-0905-007 - replace ppn 1gt1 gen wedge system (Site:putnam plant)
03975-070-0922-007 - replace wedge system gt 8 (Site:ft myers gt's u8)
04025-070-0905-007 - replace ppn 1 s.t. exciter rotor (Site:putnam plant)
04029-070-0905-007 - replace ppn 1gt2 gen wedge system (Site:putnam plant)
04260-070-0922-007 - replace gt 9 rotor (Site:ft myers gt)
04291-070-0928-007 - replace pmg3 s.t.gen wedge system (Site:martin unit 3)
04292-070-0928-007 - replace pmg3a gen wedge system (Site:martin-unit 3)
04293-070-0928-007 - replace pmg3b gen wedge system (Site:martin-unit 3)

Sum of AMOUNT	Account	[illegible] Reason	STATE_CATEG
154,856.00	34400	O=OPERATION	AZ
2,111.35	34400	O=OPERATION	AZ
3,010.44	34400	O=OPERATION	AZ
96.09	34400	O=OPERATION	AZ
1,747,988.00	34401	O=OPERATION	AZ
(96.09)	34400	O=OPERATION	AZ
1,057,054.36	34400	O=OPERATION	AZ
8,561.10	34400	O=OPERATION	AZ
25,707.77	34400	O=OPERATION	AZ
12,025.64	34400	O=OPERATION	AZ
16,540.82	34400	O=OPERATION	AZ
19,945.43	34400	O=OPERATION	AZ
76,550.34	34400	O=OPERATION	AZ
1,452,750.02	34400	O=OPERATION	AZ
2,439.65	34400	O=OPERATION	AZ
35,950.46	34400	O=OPERATION	AZ
12,810.71	34400	O=OPERATION	AZ
6,868.60	34400	O=OPERATION	AZ
14,394.17	34400	O=OPERATION	AZ
6,954.15	34400	O=OPERATION	AZ
388,280.00	34400	O=OPERATION	AZ
45,453.48	34400	O=OPERATION	AZ
82,866.74	34400	O=OPERATION	AZ
112,300.00	34400	O=OPERATION	AZ
38,328.33	34400	O=OPERATION	AZ
106,728.92	34400	O=OPERATION	AZ
141,385.49	34400	V=IMPROVE	AZ
301,697.77	34400	O=OPERATION	AZ
292,269.43	34400	O=OPERATION	AZ
287,437.73	34400	O=OPERATION	AZ

OPC 012065

OPC 012066

FPL

Ten Year Power Plant Site Plan

2009-2018

Submitted To:

Florida Public
Service Commission

Miami, Florida
April 2009

OPC 012007

Resulting Change # 3: FPL will also place on Inactive Reserve some of its existing generating units starting in 2009.

The lower resource need projection discussed above has also led FPL to reflect in its resource plan the temporary removal of a number of its existing, older, less efficient generating units from active service starting in 2009. These units will continue to be maintained and will be returned to active service as needed.

FPL's existing Cape Canaveral and Riviera plants will be placed in Inactive Reserve as early as the Summer of 2009. The Cape Canaveral plant is scheduled to be permanently removed in 2010, and the Riviera plant will be permanently removed in 2011, as part of the conversion projects. In addition, the following older, less efficient units will also be placed on Inactive Reserve status in 2009 and 2010: Cutler Units 5 & 6, Port Everglades Units 1 & 2, Sanford Unit 3, Martin Unit 2, and Manatee Unit 2[1]. FPL will continue to maintain these units and will again utilize these units (other than those at Riviera and Cape Canaveral where new units will be constructed) as resource needs dictate. For purposes of this planning document, FPL projects that these units will begin to be returned to operation starting in 2016. A further discussion of these units is presented in Chapter III.

Table ES.1 presents a current projection of the changes in the generating resources portion of FPL's resource plan based on the factors and changes discussed above. As such, this table does not directly address FPL's significant DSM contributions, but FPL's significant projected DSM contributions were fully accounted for by FPL and the FPSC in the process of approving the need for the new generating units presented in the table.

FPL's ongoing resource planning efforts will continue to be influenced by the two change factors discussed above (i.e., a new lower load forecast and the addition of highly efficient nuclear, solar, and CC generation already approved by the FPSC). In addition, other items will also influence FPL's resource planning work. Among these items are two that FPL refers to as on-going system concerns that FPL has considered in its resource planning work for a number of years. These on-going system concerns include: (1) maintaining/enhancing fuel diversity in the FPL system, and (2) maintaining a balance between load and generating capacity in Southeastern Florida.

In addition, two other relatively recent developments will also influence FPL's continuing resource planning efforts. One of these is the Executive Orders directive issued in 2007 by Governor Crist calling for reduction in greenhouse gas emissions and greater contribution from renewable

[1] The two 800 MW units, Martin Unit 2 and Manatee Unit 2, on this list may be replaced at some time in the future by two similar size units, Martin Unit 1 and Manatee Unit 1. If this were to occur, Martin Unit 1 and Manatee Unit 1 would be temporarily placed on Inactive Reserve status and Martin Unit 2 and Manatee Unit 2 would be returned to active service.

Table ES.1: Projected Capacity Changes and Reserve Margins for FPL

	Projected Capacity Changes and Reserve Margins for FPL [1]	Net Capacity Changes (MW)		Reserve Margin (%)	
Year	Projected Capacity Changes	Winter [2]	Summer [3]	Winter	Summer
2009	Changes to Existing Purchases [4]	—	(479)	53.1%	28.1%
	West County Unit 1 [5]	—	1,219		
	DeSoto Next Generation Solar Energy Center (PV) [6]	—	—		
	Riviera Unit 3 - offline for conversion	—	(276)		
	Riviera Unit 4 - offline for conversion	—	(288)		
	Changes to Existing Units	(78)	10		
	Inactive Reserve of Existing Units - offline [8]	—	(766)		
2010	Changes to Existing Purchases [4]	(559)	(352)	58.2%	20.7%
	West County Unit 1 [5]	1,335	—		
	West County Unit 2 [5]	1,335	1,219		
	Martin Next Generation Solar Energy Center (Solar Thermal) [7]	—	—		
	Space Coast Next Generation Solar Energy Center (PV) [6]	—	—		
	Riviera Unit 3 - offline for conversion	(277)	—		
	Riviera Unit 4 - offline for conversion	(288)	—		
	Cape Canaveral Unit 1 - offline for conversion	—	(395)		
	Cape Canaveral Unit 2 - offline for conversion	—	(368)		
	Changes to Existing Units	53	36		
	Inactive Reserve of Existing Units - offline (8)	(777)	(1,648)		
2011	Changes to Existing Purchases [4]	(46)	(45)	41.8%	25.8%
	West County Unit 3 [5]	—	1,219		
	Cape Canaveral Unit 1 - offline for conversion	(397)	—		
	Cape Canaveral Unit 2 - offline for conversion	(397)	—		
	Inactive Reserve of Existing Units - offline [8]	(1,663)	10		
	Changes to Existing Units	130	(92)		
2012	Changes to Existing Purchases [4]	—	(156)	45.7%	23.6%
	West County Unit 3 [5]	1,335	—		
	Changes to Existing Units	(11)	(11)		
	Existing Nuclear Units Capacity Uprates - St. Lucie 1	103	103		
	Existing Nuclear Units Capacity Uprates - St. Lucie 2	—	88		
	Existing Nuclear Units Capacity Uprates - Turkey Point 3	—	104		
2013	Changes to Existing Purchases [4]	(160)	—	44.1%	29.1%
	Existing Nuclear Units Capacity Uprates - St. Lucie 2	88	—		
	Existing Nuclear Units Capacity Uprates - Turkey Point 3	104	—		
	Existing Nuclear Units Capacity Uprates - Turkey Point 4	104	104		
	Cape Canaveral Next Generation Clean Energy Center [5]	—	1,219		
2014	Changes to Existing Purchases [4]	—	50	44.0%	28.0%
	Cape Canaveral Next Generation Clean Energy Center [5]	1,343	—		
	Riviera Beach Next Generation Clean Energy Center	—	1,207		
2015	Riviera Beach Next Generation Clean Energy Center	1,310	—	46.0%	25.1%
2016	Inactive Reserve of Existing Units - online [8]	—	814	42.3%	20.0%
	Changes to Existing Purchases [4]	—	(1,311)		
2017	Inactive Reserve of Existing Units - online [8]	825	822	41.6%	21.1%
2018	Turkey Point Nuclear Unit 6 [5]	—	1,100	38.2%	22.2%
	Inactive Reserve of Existing Units - online [8]	834	—		
	TOTALS =	[illegible]	3,119		

(1) Additional information about these resulting reserve margins and capacity changes are found on Schedules 7 & 8 respectively.
(2) Winter values are values for January of the year shown.
(3) Summer values are values for August of the year shown.
(4) These are firm capacity and energy contracts with QF, utilities, and other entities. See Table I.B.1 and Table I.B.2 for more details.
(5) All new unit additions are scheduled to be in-service in June of the year shown except for WCEC 1 and WCEC 2 that are projected to be in-service in August 2009 and December 2009, respectively. WCEC 1 is included in the Summer reserve margin calculation starting in 2009 and in the Winter reserve margin calculation starting in 2010. WCEC 2 is included in both the Summer and Winter starting in 2010. All additions assumed to start in June are included in the Summer reserve margin calculation starting in that year and in the Winter reserve margin calculation starting with the next year.
(6) Because of the intermittent nature of the photovoltaics (PV) resource, FPL is currently assigning no firm capacity benefit to these generating additions. FPL will reassess this once actual operating data from the PV facilities at these locations is available. This location-specific information is needed in order to gauge consistent output during the peak hours which are accounted for in FPL's reserve margin calculations.
(7) The Martin solar thermal facility is designed to provide steam for FPL's existing Martin Unit 8 combined cycle unit, thus reducing FPL's use of natural gas. No additional capacity (MW) will result from the operation of the solar thermal facility.
(8) A number of existing FPL power plants are being temporarily removed from service and placed on Inactive Reserve status. FPL plans to return these units to active service in the future as needed. The timing of the return of these units to full-time active status is uncertain at this time primarily due to the uncertainty regarding FPL's future load. However, for planning purposes, FPL is showing in this document that these units begin to return to active service starting in 2016.

I. Description of Existing Resources

FPL's service area contains approximately 27,650 square miles and has a population of approximately 8.7 million people. FPL served an average of 4,509,729 customer accounts in thirty-five counties during 2008. These customers were served from a variety of resources including: FPL-owned fossil and nuclear generating units, non-utility owned generation, demand side management (DSM), and interchange/purchased power.

I.A. FPL-Owned Resources

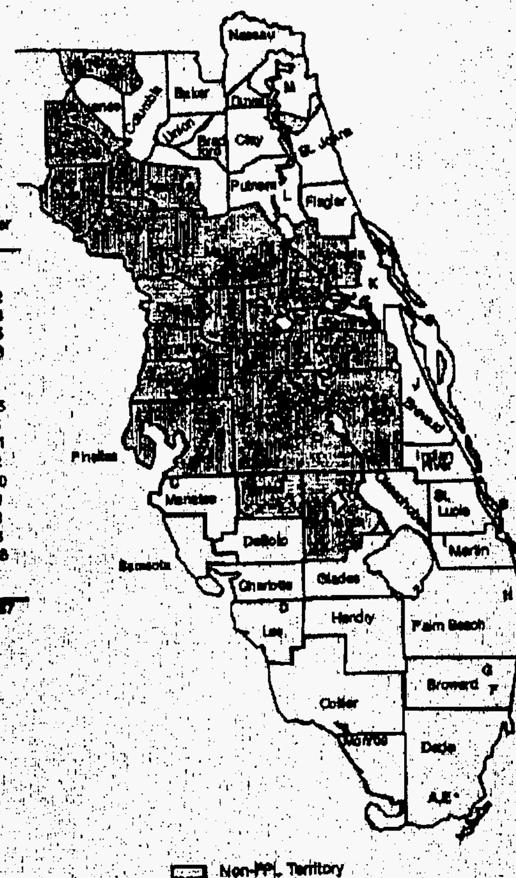
The existing FPL generating resources are located at fourteen generating sites distributed geographically around its service territory and also include partial ownership of one unit located in Georgia and two units located in Jacksonville, Florida. The current generating facilities consist of four nuclear units, three coal units, twelve combined cycle (CC) units, seventeen fossil steam units, forty-eight combustion gas turbines, one simple cycle combustion turbine, and five diesel units. The location of these ninety generating units is shown on Figure I.A.1 and in Table I.A.1. The second page of Table I.A.1 provides a "break down" of the capacity provided by the combustion turbine (CT) and steam turbine (ST) components of FPL's existing CC units.

FPL's bulk transmission system is comprised of 6,727 circuit miles of transmission lines. Integration of the generation, transmission, and distribution system is achieved through FPL's 580 substations in Florida.

The existing FPL system, including generating plants, major transmission stations, and transmission lines, is shown on Figure I.A.2. In addition, Figure I.A.3 shows FPL's interconnection ties with other utilities.

FPL Generating Resources by Location

Location/ Map Key	Plant Name	Number of Units	Summer MW
A	Turkey Point	5	3,322
B	St. Lucie *	2	1,553
C	Manatee	3	2,736
D	Fort Myers	2	1,758
E	Cutler	2	205
F	Lauderdale	2	884
G	Port Everglades	4	1,205
H	Riviera	2	565
I	Martin	5	3,701
J	Cape Canaveral	2	792
K	Sanford	3	2,050
L	Putnam	2	498
M	SJRPP **	2	254
	Scherer ***	1	646
	Gas Turbines	48	1,908
	Internal Combustion Turbines	5	12
	FPL Generation =	90	22,587



* Represents FPL's ownership share: St Lucie nuclear: 100% unit 1, 85% unit 2; St. Johns River: 20% of two units.

** SJRPP = St. John's River Power Park

*** The Scherer unit is located in Georgia and is not shown on this map.

Figure I.A.1: Capacity Resources by Location (as of December 31, 2008)

Table I.A.1: Capacity Resource by Unit Type (as of December 31, 2008)

Unit Type/ Plant Name	Location	Number of Units	Fuel	Summer MW
Combined-Cycle *				
Lauderdale	Dania, FL	2	Gas/Oil	884
Martin	Indiantown,FL	2	Gas	944
Martin	Indiantown,FL	1	Gas/Oil	1,105
Sanford	Lake Monroe, FL	2	Gas	1,912
Putnam	Palatka, FL	2	Gas/Oil	498
Fort Myers	Fort Myers, FL	1	Gas	1,440
Manatee	Parrish,FL	1	Gas	1,111
Turkey Point	Florida City, FL	1	Gas	1,148
Total Combined Cycle		12		9,041
Combustion Turbines *				
Fort Myers **	Fort Myers, FL	1	Gas/Oil	318
Total Combustion Turbines		1		318
Nuclear				
Turkey Point	Florida City, FL	2	Nuclear	1,386
St. Lucie ***	Hutchinson Island, FL	2	Nuclear	1,553
Total Nuclear		4		2,939
Coal Steam				
SJRPP ****	Jacksonville, FL	2	Coal	254
Scherer	Monroe County, Ga	1	Coal	646
Total Coal Steam		3		900
Oil/Gas Steam				
Cape Canaveral	Cocoa, FL	2	Oil/Gas	792
Cutler	Miami, FL	2	Gas	205
Manatee	Parrish, FL	2	Oil/Gas	1,624
Martin	Indiantown,FL	2	Oil/Gas	1,652
Port Everglades	Port Everglades, FL	4	Oil/Gas	1,205
Riviera	Riviera Beach, FL	2	Oil/Gas	565
Sanford	Lake Monroe, FL	1	Oil/Gas	138
Turkey Point	Florida City, FL	2	Oil/Gas	788
Total Oil/Gas Steam		17		6,969
Gas Turbines(GT)/Diesels(IC)				
Lauderdale (GT)	Dania, FL	24	Gas/Oil	840
Port Everglades (GT)	Port Everglades, FL	12	Gas/Oil	420
Fort Myers (GT)	Fort Myers, FL	12	Oil	648
Turkey Point (IC)	Florida City, FL	5	Oil	12
Total Gas Turbines/Diesels		53		1,920
Total Units:		90		
Total Net Generating Capability:				22,087

* The Combined Cycles and Combustion Turbines are broken down by components on Table 1.A.2.
** This unit consists of two combustion turbines.
*** Total capability of each unit is 853/839 MW. FPL's ownership share of St. Lucie 1 and 2 is 100% and 85%, respectively. Capabilities shown represent FPL's output share from each of the units (approx. 92.5% and exclude the Orlando Utilities Commission (OUC) and Florida Municipal Power Agency (FMPA) combined portion of approximately 7.44776% per unit.
**** Represents FPL's ownership share: SJRPP coal: 20% of two units

Table I.A.2: Combined Cycle and Combustion Turbine Components

Unit Type/ Plant Name		Summer MW *
Combined Cycle		
Lauderdale 4 - Total		442
	CTA	160
	CTB	160
	Steam	122
Lauderdale 5 - Total		442
	CTA	160
	CTB	160
	Steam	122
Martin 3 - Total		473
	CTA	161
	CTB	161
	Steam	151
Martin 4 - Total		473
	CTA	161
	CTB	161
	Steam	151
Martin 8 - Total		1,107
	CTA	159
	CTB	159
	CTC	164
	CTD	164
	Steam	461
Putnam 1 - Total		249
	CTA	69
	CTB	69
	Steam	111
Putnam 2 - Total		249
	CTA	69
	CTB	69
	Steam	111
Ft Myers 2 - Total		1,443
	CTA	159
	CTB	159
	CTC	159
	CTD	156
	CTE	156
	CTF	159
	Steam 1	61
	Steam 2	435
Sanford 4 - Total		954
	CTA	159
	CTB	159
	CTC	159
	CTD	159
	Steam	324
Sanford 5 - Total		953
	CTA	158
	CTB	158
	CTC	158
	CTD	158
	Steam	323
Manatee 3 - Total		1,111
	CTA	164
	CTB	164
	CTC	164
	CTD	164
	Steam	455
Turkey Point 5 - Total		1,147
	CTA	171
	CTB	171
	CTC	171
	CTD	171
	Steam	463
Combustion Turbines		
Ft. Myers 3 - Total		318
	CTA	157
	CTB	161

* The total MW rating of the units might be slightly off from those shown in Table I.A.1 due to rounding.

Table I.A.3: Purchase Power Resources by Contract (as of December 31, 2008)

Firm Capacity and Energy Purchases (MW)

	Location (City or County)	Fuel	Summer MW
I. Purchases from QFs: Cogeneration Small Power Production Facilities			
Cedar Bay Generating Co.	Duval County	Coal (Cogen)	250
Indiantown Cogen., LP	Martin County	Coal (Cogen)	330
Broward South	Broward County	Solid Waste	54
Broward North	Broward County	Solid Waste	56
Palm Beach SWA	Palm Beach County	Solid Waste	48
		Total:	738
II. Purchases from Utilities:			
UPS from Southern Co.	Various	Coal	931
SJRPP	Jacksonville,FL	Coal	381
		Total:	1,312
III. Other Purchases:			
Reliant/Indian River	Brevard County	Oil	576
Oleander (Extension)	Brevard County	Gas	156
Williams	Outside of Florida	Gas	106
Progress Energy Ventures	Outside of Florida	Gas	105
		Total:	943
		Total Net Firm Generating Capability:	2,993

Non-Firm Energy Purchases (MWH)

Plant Name	Location (City or County)	Fuel	Energy (MWH) Delivered to FPL in 2008
Tropicana	Manatee County	Natural Gas	24,266
Elliot	Palm Beach County	Natural Gas	101
US Sugar-Bryant	Palm Beach County	Bagasse	0
Okeelanta	Palm Beach County	Bagasse/Wood	343,209
Georgia Pacific	Putnam County	Paper by-product	1,232
Tomoka Farms	Volusia County	Landfill Gas	20,140
Rothenbach Park	Sarasota County	PV	269
Customer Owned PV	Various	PV	157
		Total Non-Firm Generating MWH:	389,384

Table I.B.1: FPL's Firm Purchased Power Summer MW

Summary of FPL's Firm Capacity Purchases: Summer MW (for August of Year Shown)

I. Purchases from QF's:

Cogeneration/Small Power Production Facilities	Contract Start Date	Contract End Date	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Broward South	04/01/91	08/01/09	0	0	0	0	0	0	0	0	0	0
Broward South	01/01/93	12/31/26	1	1	1	1	1	1	1	1	1	1
Broward South	01/01/95	12/31/26	2	2	2	2	2	2	2	2	2	2
Broward South	01/01/97	12/31/26	1	1	1	1	1	1	1	1	1	1
Broward North	04/01/92	12/31/10	45	45	0	0	0	0	0	0	0	0
Broward North	01/01/93	12/31/26	7	7	7	7	7	7	7	7	7	7
Broward North	01/01/95	12/31/26	2	2	2	2	2	2	2	2	2	2
Broward North	01/01/97	12/31/26	3	3	3	3	3	3	3	3	3	3
Cedar Bay Generating Co.	01/25/94	12/31/24	250	250	250	250	250	250	250	250	250	250
Indiantown Cogen., LP	12/22/95	12/01/25	330	330	330	330	330	330	330	330	330	330
Palm Beach SWA	04/01/92	03/31/10	50	0	0	0	0	0	0	0	0	0
Palm Beach SWA-extension	04/01/12	04/01/32	0	0	0	55	55	55	55	55	55	55
		QF Purchases Sub Total:	690	640	596	650	650	650	650	650	650	650

II. Purchases from Utilities:

	Contract Start Date	Contract End Date	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
UPS from Southern Co.	07/20/88	05/31/10	931	0	0	0	0	0	0	0	0	0
UPS Replacement	06/01/10	12/31/15	0	930	930	930	930	930	930	0	0	0
SJRPP	04/02/82	04/01/16	381	381	381	381	381	381	381	0	0	0
		Utility Purchases Sub Total:	1,312	1,311	1,311	1,311	1,311	1,311	1,311	0	0	0

Total of QF and Utility Purchases =	2,002	1,951	1,906	1,961	1,961	1,961	1,961	650	650	650

III. Other Purchases:

	Contract Start Date	Contract End Date	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Reliant/Indian River	01/01/06	12/31/09	250	0	0	0	0	0	0	0	0	0
Oleander (Extension)	06/01/07	05/31/12	156	156	156	0	0	0	0	0	0	0
Williams	03/01/06	12/31/09	106	0	0	0	0	0	0	0	0	0
Progress Energy Ventures	04/01/06	03/31/09	0	0	0	0	0	0	0	0	0	0
New Renewable Firm Capacity	Assumed	Assumed	0	0	0	0	0	50	50	50	50	50
		Other Purchases Sub Total:	512	156	156	0	0	50	50	50	50	50

Total "Non-QF" Purchase Sub-Total =	1,824	1,467	1,467	1,311	1,311	1,361	1,361	50	50	50

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Summer Firm Capacity Purchases Total MW:	2,514	2,107	2,062	1,961	1,961	2,011	2,011	700	700	700

Schedule 1

Existing Generating Facilities
As of December 31, 2006

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
								Alt.				Net Capability 1/	
						Fuel		Fuel	Commercial	Expected	Gen.Max.		
	Unit		Unit	Fuel		Transport.		Days	In-Service	Retirement	Nameplate	Winter	Summer
Plant Name	No.	Location	Type	Pri.	Alt.	Pri.	Alt.	Use	Month/Year	Month/Year	KW	MW	MW
Cape Canaveral		Brevard County 19/24S/36E									804,100	796	792
	1		ST	FO6	NG	WA	PL	Unknown	Apr-65	Unknown	402,050	398	396
	2		ST	FO6	NG	WA	PL	Unknown	May-69	Unknown	402,050	398	396
Cutler		Miami Dade County 27/55S/40E									236,500	207	205
	5		ST	NG	No	PL	No	Unknown	Nov-54	Unknown	75,000	69	68
	6		ST	NG	No	PL	No	Unknown	Jul-55	Unknown	161,500	138	137
Fort Myers		Lee County 35/43S/25E									2,895,860	2,708	2,406
	2		CC	NG	No	PL	No	Unknown	Jun-02	Unknown	1,775,360	1,570	1,440
	3A & B		CT	NG	FO2	PL	PL	Unknown	Jun-03	Unknown	376,380	370	318
	1-12		GT	FO2	No	PL	No	Unknown	May-74	Unknown	744,120	768	648
Lauderdale		Broward County 30/50S/42E									1,873,968	1,988	1,724
	4		CC	NG	FO2	PL	PL	Unknown	May-93	Unknown	526,250	485	442
	5		CC	NG	FO2	PL	PL	Unknown	Jun-93	Unknown	526,250	485	442
	1-12		GT	NG	FO2	PL	PL	Unknown	Aug-70	Unknown	410,734	509	420
	13-24		GT	NG	FO2	PL	PL	Unknown	Aug-72	Unknown	410,734	509	420
Manatee		Manatee County 18/33S/20E									2,951,110	2,831	2,735
	1		ST	FO6	NG	WA	PL	Unknown	Oct-76	Unknown	863,300	822	812
	2		ST	FO6	NG	WA	PL	Unknown	Dec-77	Unknown	863,300	822	812
	3		CC	NG	No	PL	No	Unknown	Jun-05	Unknown	1,224,310	1,187	1,111

1/ These ratings are peak capability.

Schedule 1

Existing Generating Facilities
As of December 31, 2006

(1) Plant Name	(2) Unit No.	(3) Location	(4) Unit Type	(5) Fuel Pri.	(6) Fuel Alt.	(7) Fuel Transport Pri.	(8) Fuel Transport Alt.	(9) Alt. Fuel Days Use	(10) Commercial In-Service Month/Year	(11) Expected Retirement Month/Year	(12) Gen.Max. Nameplate KW	(13) Net Capability 1/ Winter MW	(14) Net Capability 1/ Summer MW
Martin		Martin County 29/38S/38E									4,317,510	3,827	3,701
	1		ST	FO6	NG	PL	PL	Unknown	Dec-80	Unknown	934,500	832	826
	2		ST	FO6	NG	PL	PL	Unknown	Jun-81	Unknown	934,500	832	826
	3		CC	NG	No	PL	No	Unknown	Feb-94	Unknown	612,000	498	472
	4		CC	NG	No	PL	No	Unknown	Apr-94	Unknown	612,000	498	472
	8*		CC	NG	FO2	PL	PL	Unknown	Jun-05	Unknown	1,224,510	1,167	1,105
Port Everglades		City of Hollywood 23/50S/42E									1,710,384	1,730	1,628
	1		ST	FO6	NG	WA	PL	Unknown	Jun-60	Unknown	247,775	214	216
	2		ST	FO6	NG	WA	PL	Unknown	Apr-61	Unknown	247,775	214	213
	3		ST	FO6	NG	WA	PL	Unknown	Jul-64	Unknown	402,050	399	387
	4		ST	FO6	NG	WA	PL	Unknown	Apr-65	Unknown	402,050	394	392
	1-12		GT	NG	FO2	PL	PL	Unknown	Aug-71	Unknown	410,734	509	420
Putnam		Putnam County 16/10S/27E									580,008	580	498
	1		CC	NG	FO2	PL	WA	Unknown	Apr-78	Unknown	290,004	290	249
	2		CC	NG	FO2	PL	WA	Unknown	Aug-77	Unknown	290,004	290	249
Riviera		City of Riviera Beach 33/42S/43E									620,840	571	565
	3		ST	FO6	NG	WA	PL	Unknown	Jun-62	Unknown	310,420	280	277
	4		ST	FO6	NG	WA	PL	Unknown	Mar-63	Unknown	310,420	291	288
Sanford		Volusia County 16/19S/30E									2,534,170	2,217	2,050
	3		ST	FO6	NG	WA	PL	Unknown	May-59	Unknown	156,250	140	138
	4		CC	NG	No	PL	No	Unknown	Oct-03	Unknown	1,188,960	1,040	958
	5		CC	NG	No	PL	No	Unknown	Jun-02	Unknown	1,188,960	1,037	954

1/ These ratings are peak capability.

* Martin 8 A and B combustion turbine units went into service on 6/14/2001 and the conversion to Combined Cycle went into service 6/30/2005.

Schedule 1

Existing Generating Facilities
As of December 31, 2008

(1) Plant Name	(2) Unit No.	(3) Location	(4) Unit Type	(5) Fuel Pri.	(6) Fuel Alt.	(7) Fuel Transport Pri.	(8) Fuel Transport Alt.	(9) Alt. Fuel Days Use	(10) Commercial In-Service Month/Year	(11) Expected Retirement Month/Year	(12) Gen. Max. Nameplate KW	(13) Net Capability 1/ Winter MW	(14) Net Capability 1/ Summer MW
Scherer 2/		Monroe, GA									680,368	662	646
	4		BIT	BIT	No	RR	No	Unknown	Jul-89	Unknown	680,368	662	646
St. Johns River Power Park 3/		Duval County 12/15/28E (RPC4)									271,836	250	254
	1		BIT	BIT	Pet	RR	WA	Unknown	Mar-87	Unknown	135,918	125	127
	2		BIT	BIT	Pet	RR	WA	Unknown	May-88	Unknown	135,918	125	127
St. Lucie		St. Lucie County 16/36S/41E									1,573,775	1,579	1,553
	1		NP	UR	No	TK	No	Unknown	May-76	Unknown	850,000	853	839
	2	4/	NP	UR	No	TK	No	Unknown	Jun-83	Unknown	723,775	726	714
Turkey Point		Miami Dade County 27/57S/40E									3,560,546	3,457	3,334
	1		ST	FO6	NG	WA	PL	Unknown	Apr-67	Unknown	402,050	398	396
	2		ST	FO6	NG	WA	PL	Unknown	Apr-68	Unknown	402,050	394	392
	3		NP	UR	No	TK	No	Unknown	Nov-72	Unknown	759,900	717	693
	4		NP	UR	No	TK	No	Unknown	Jun-73	Unknown	759,900	717	693
	5		CC	NG	FO2	PL	PL	Unknown	May-07	Unknown	1,224,510	1219	1,148
	1-6		IC	FO2	No	TK	No	Unknown	Dec-67	Unknown	12,136	12	12
										Total System as of December 31, 2008 =		23,565	22,097

1/ These ratings are peak capability.
2/ These ratings represent Florida Power & Light Company's share of Scherer Unit No. 4, adjusted for transmission losses.
3/ The net capability ratings represent Florida Power & Light Company's share of St. Johns River Park Unit No. 1 and No. 2, excluding Jacksonville Electric Authority (JEA) share of 80%.
4/ Total capability of each unit is 853/839 MW. FPL's ownership share of St. Lucie 1 and 2 is 100% (853/839) and 85% (714/726) respectively as shown above. FPL's share of the deliverable capacity from each unit is approx. 92.5% and excludes the Orlando Utilities Commission (OUC) and Florida Municipal Power Agency (FMPA) combined portion of approximately 7.44776% per unit.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Compliance investigation of TCG Public Communications, Inc. for apparent violation of Section 364.183(1), F.S., Access to Company Records, and determination of amount and appropriate method for refunding overcharges for collect calls made from inmate pay telephones.	DOCKET NO. 060614-TC ORDER NO. ISSUED:

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

ORDER ACCEPTING SETTLEMENT OFFER

BY THE COMMISSION:

I. Case Background

In March 2004, this Commission received a customer complaint against TCG Public Communications, Inc. (TCG) regarding improper disconnection of inmate calls from a pay telephone within a correctional facility in Miami. According to the complaint, the inmate pay telephone system within the Miami-Dade Pretrial Detention Center was malfunctioning, which caused the inmate's calls to the complainant to disconnect before the conversation was completed. As a result, the complainant incurred additional costs because the inmate would call back to complete the conversation. Each call was assessed a surcharge that could have been avoided if the original call had not disconnected prematurely. After receiving the complaint, our technical staff began investigating the allegations of the customer's complaint. The complaint was ultimately resolved in April 2005.

TCG is a certificated pay telephone service provider (Certificate No. 7799), which provided inmate pay telephone services in Florida. When the complaint was filed, TCG operated and maintained the inmate pay telephone systems for Miami-Dade County and was a wholly owned subsidiary of AT&T Communications of the Southern States, Inc. (AT&T). TCG later became a wholly owned subsidiary of Global Tel*Link Corporation (Global) in June 2005 and in late 2007 TCG merged into Global.

Between 2004 and 2007, our staff conducted an investigation and tested the pay telephone system at the Miami-Dade Pretrial Detention Center. The pay telephone system was tested several times during the investigation. Our staff ultimately determined that the three-way detection software was causing inmate calls to prematurely disconnect. As a result of the software malfunctioning, numerous customers incurred additional surcharges of $2.25 per local call and $1.75 per intrastate toll calls for each additional call that had to be made to complete a telephone conversation. The malfunctioning three-way call detection software was ultimately replaced in March 2008.

On September 10, 2007, TCG filed a proposed settlement offer to make available a settlement pool in the amount of $175,000 from which customers who were affected by the improper disconnection of inmate calls caused by the three-way call detection software could obtain a refund. On September 8, 2008, a recommendation addressed TCG's proposed settlement offer and the results of our investigation. The recommendation proposed that we not accept TCG's proposed settlement offer and that we order TCG to show cause why it should not be penalized. The Agenda Conference was held on September 16, 2008. We deferred the matter and directed our staff and the parties to work together to negotiate a settlement.

On October 9, 2008, our staff and the parties met, in the first of several meetings, to begin negotiating a settlement. On May 27, 2009, TCG filed a revised settlement offer. The company proposed to make a payment in the amount of $1,250,000 to be deposited into the General Revenue Fund. In addition, TCG offered other commitments, filed confidentially (Document No. 05272-09), that are not specifically discussed in this recommendation. These additional commitments will require TCG to implement specific monitoring commitments, for 18 months, to ensure continuing compliance of the inmate telephone operations at the Miami-Dade Correctional Facilities.

We are vested with jurisdiction of these matters pursuant to Sections 364.03, 364.3375, 364.3376, 364.345(1), 364.285, and 364.604, Florida Statutes.

II. Analysis

On May 27, 2009, TCG (for itself and its present and past parents and successor in interest, Global) filed a revised settlement offer for the purpose of resolving the current issues in the present docket. Attachment A, attached, contains the unclassified portion of TCG's offer. TCG's additional commitments were filed confidentially. The confidential filing is not attached. It will be maintained in the Office of Commission Clerk.

TCG replaced the three-way call detection software at the Miami-Dade Correctional Facilities in March 2008. TCG believes that the replacement system should entirely eliminate, on a going–forward basis, any concerns regarding the previous three-way call detection equipment that initially prompted our investigation. In making the offer of settlement, TCG does not concede that the design, operation, or management of the three-way call detection software resulted in the violation of any our rules, orders, or statutes under the former or present inmate phone systems.

III. Decision

We have reviewed TCG's proposed settlement offer, as set forth in Attachment A and TCG's confidential filing (Document No. 05272-09) containing additional commitments. We find that company's proposed settlement offer is in the public's interest and find it appropriate to accept TCG Public Communications, Inc.'s proposed settlement offer to submit a payment in the amount of $1,250,000 for deposit into the General Revenue Fund and to implement specific monitoring commitments, for 18 months, to ensure continuing compliance of the inmate telephone operations at the Miami-Dade Correctional Facilities.

This docket shall remain open pending the receipt of the $1,250,000 payment. The payment shall be received by within thirty (30) calendar days after the issuance of this Order. The payment shall be made payable to the Florida Public Service Commission and should identify the docket number and the company's name. Upon receipt of payment, we shall forward it to the Department of Financial Services to be deposited into the General Revenue Fund. If TCG fails to remit the payment within thirty (30) calendar days after the issuance of this Order, this docket shall remain open pending further proceedings. This docket shall be closed administratively upon receipt of the settlement payment.

Based upon the foregoing, it is

ORDERED by the Florida Public Service Commission that TCG Public Communications, Inc.'s proposed settlement offer to submit a payment in the amount of $1,250,000 for deposit into the General Revenue Fund and to implement specific monitoring commitments, for 18 months, to ensure continuing compliance of the inmate telephone operations at the Miami-Dade Correctional Facilities, is accepted. IT is further

ORDERED that the confidential filing, Document Number 05272-09 is an integral part of TCG's settlement offer and is incorporated herein to the settlement offer. It is further

ORDERED that this docket shall remain open pending the receipt of the $1,250,000 payment. The payment shall be received by within thirty (30) calendar days after the issuance of this Order. The payment shall be made payable to the Florida Public Service Commission and should identify the docket number and the company's name. Upon receipt of payment, we shall forward it to the Department of Financial Services to be deposited into the General Revenue Fund. It is further

ORDERED that if TCG fails to remit the payment within thirty (30) calendar days after the issuance of this Order, this docket shall remain open pending further proceedings. It is further

ORDERED that this docket shall be closed administratively upon receipt of the settlement payment.

By ORDER of the Florida Public Service Commission this _____ day of _______________, __________.

ANN COLE
Commission Clerk

(S E A L)

TLT

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	Docket No. 080677-EI Filed July 24, 2009

CITIZENS' RESPONSE TO STAFF'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-38)

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.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Citizens' Initial Objections to Staff's First Set of Interrogatories (Nos. 1-47) and First Request for Production of Documents (Nos. 1-38) dated August 6, 2009. OPC's responses are without waiver of those prior objections.

A CD containing all documents has been hand-delivered to Staff as part of this response.

DOCUMENTS REQUESTED

34. For each account for which OPC witness Jacob Pous is proposing an average remaining life, please provide all documents showing and supporting the determination of the underlying average service life and the resulting average remaining life.

RESPONSE: See the response to request for production of documents Staff 33.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	Docket No. 080677-EI Filed July 24, 2009

CITIZENS' RESPONSE TO STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-38)

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A CD containing all documents has been hand-delivered to Staff as part of this response.

DOCUMENTS REQUESTED

35. Please provide all documents that support OPC's response to Interrogatory No. 39.

[INT 39: Please refer to the direct testimony of OPC witness Jacob Pous, page 80, lines 20-25, and page 81, lines 1-2. The witness states that FPL "has inappropriately included as cost of removal costs associated with the conversion to the combined cycle operation." Please list all documents that support the witness' assertion that FPL's position is not justified "as being indicative of proper depreciation theory relating to interim retirements." Please explain the depreciation theory relating to interim retirements the witness is referencing.]

RESPONSE: See OPC's Response to Staff Interrogatory 39 and POD 28.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	Docket No. 080677-EI Filed July 24, 2009

CITIZENS' RESPONSE TO STAFF'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-38)

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A CD containing all documents has been hand-delivered to Staff as part of this response.

DOCUMENTS REQUESTED

36. Please provide all documents that support the response to Interrogatory No. 41.

[INT 41: Please refer to the direct testimony of OPC witness Jacob Pous, page 85. Please identify any generating facility in Florida that has been sold rather than dismantled after retirement.]

RESPONSE: See OPC's Response to Staff POD 12.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	Docket No. 080677-EI Filed July 24, 2009

CITIZENS' RESPONSE TO STAFF'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-38)

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OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Citizens' Initial Objections to Staff's First Set of Interrogatories (Nos. 1-47) and First Request for Production of Documents (Nos. 1-38) dated August 6, 2009. OPC's responses are without waiver of those prior objections.

A CD containing all documents has been hand-delivered to Staff as part of this response.

DOCUMENTS REQUESTED

37. Please provide all documents that support the response to Interrogatory No. 44.

[INT 44: Please refer to the direct testimony of OPC witness Jacob Pous, page 142, lines 18 and 19. Please explain the concern raised at the Annual NARUC meeting this year.]

RESPONSE: See OPC's Response to Staff POD 31.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	Docket No. 080677-EI Filed July 24, 2009

CITIZENS' RESPONSE TO STAFF'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-38)

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.

OPC adopts and incorporates by reference, as though fully restated herein, all objections listed in OPC's Objections to Citizens' Initial Objections to Staff's First Set of Interrogatories (Nos. 1-47) and First Request for Production of Documents (Nos. 1-38) dated August 6, 2009. OPC's responses are without waiver of those prior objections.

A CD containing all documents has been hand-delivered to Staff as part of this response.

DOCUMENTS REQUESTED

38. Please provide all documents, in hard copy and in Excel-compatible format, that support the response to Interrogatory No. 45

[INT 45: Please identify the calculated reserve imbalance for FPL using the life and salvage parameters witness Pous is recommending.]

RESPONSE: See OPC's Response to Staff POD 33.

J. R. Kelly
Public Counsel

Joseph A. McGlothlin
Joseph A. McGlothlin
Associate Public Counsel

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

Attorneys for the Citizens
of the State of Florida

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for increase in rates by Florida Power & Light Company	)))	Docket No. 080677–EI

AFFIRM'S RESPONSE TO STAFF'S FIRST REQUEST TO PRODUCE

1. Please refer to the direct testimony of Russell L. Klepper. Please provide any quantitative load research studies which support your contention on page 4, lines 3-6, that AFFIRM members do not peak during the specific hours during which the utility will experience its monthly peak loads.

Response

Attached are copies of page 401(b) from FPL's FERC Form No. 1 for the years of 2007 and 2008. This page reflects the maximum monthly peak load in megawatts, and provides the day of the month and the time of the day for each monthly peak.

As shown on the table for 2007, FPL's monthly peak for each of the seven summer months was reached during an hour ending 1600 or 1700, i.e. the hours ending either 4:00 PM or 5:00 PM. Similarly, on the table for 2008, FPL's monthly peak for each of the seven summer months was reached during the hour ending 1700, i.e. the hour ending 5:00 PM. Each summer peak during 2007 and 2008 occurred on a weekday.

Attached are ten charts, five showing average summer day load data and the other five showing average winter day load data, for the three largest brands of YUM! Brands (KFC, Pizza Hut and Taco Bell), for Wendy's and for Waffle House. In response to requests from both YUM! Brands and Wendy's/Arby's, FPL was unable to provide any data on load shape. The charts provided herein were developed based on data provided by Southern Company for the years 2003 and 2004. AFFIRM acknowledges that such load data may not be exact, but as FPL is unable to provide any load data at all specific to the AFFIRM Members, then AFFIRM asserts that the load shapes being provided are reasonably representative for purpose of the subject proceeding.

The attached charts show that, during the summer months, KFC peaks at 2030, Pizza Hut peaks at 1300, Taco Bell peaks at 2200, Wendy's peaks at 1230, and Waffle House peaks at 1630, but the Waffle House peak occurred on a Saturday, a non-peak day.

As shown on the tables for 2007 and 2008, FPL's winter monthly peaks were more diversified in their occurrences, but the average peaks for the five winter months were only 74.1% and 77.3% of the summer peaks occurring in 2007 and 2008, respectively, and thus contributions to the winter peak have a far lesser degree of cost causation. Moreover, the data shows that during 2007, the peaks in three of the five winter months occurred during a defined off-peak period, and that during 2008, the peaks in two of the five winter months occurred during a defined off-peak period. However, in neither year was there a winter peak occurring later than the hour ending 1900, i.e. the hour ending 7:00 PM.

The attached charts show that, during the winter months, KFC peaks at 2030 and Taco Bell peaks at 2200, both of which occur during the defined peak period but both of which occur well after the system peak. Pizza Hut and Wendy's both peak at 1300, and Waffle House peaks at 1630, all such peaks being during a defined non-peak period.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Florida Power & Light Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2007/Q4

MONTHLY PEAKS AND OUTPUT

(1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
(2) Report on line 2 by month the system's output in Megawatt hours for each month.
(3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
(4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
(5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirments Sales for Resale & Associated Losses (c)	MONTHLY PEAK Megawatts (See Instr. 4) (d)	MONTHLY PEAK Day of Month (e)	MONTHLY PEAK Hour (f)
29	January	8,642,830	233,507	15,619	6	1500
30	February	7,956,172	361,246	16,815	19	800
31	March	8,566,200	233,862	16,450	2	1600
32	April	8,934,424	167,162	17,623	27	1700
33	May	9,498,555	93,100	19,004	4	1700
34	June	10,675,215	107,646	20,560	22	1700
35	July	11,152,410	130,527	21,732	18	1600
36	August	12,213,632	118,698	21,962	10	1600
37	September	11,290,159	93,581	21,808	29	1700
38	October	10,416,048	77,152	19,876	18	1700
39	November	8,336,361	150,845	16,484	29	1700
40	December	8,733,133	145,836	16,043	29	1900
41	TOTAL	116,415,139	1,913,162			

A0001

Name of Respondent Florida Power & Light Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4

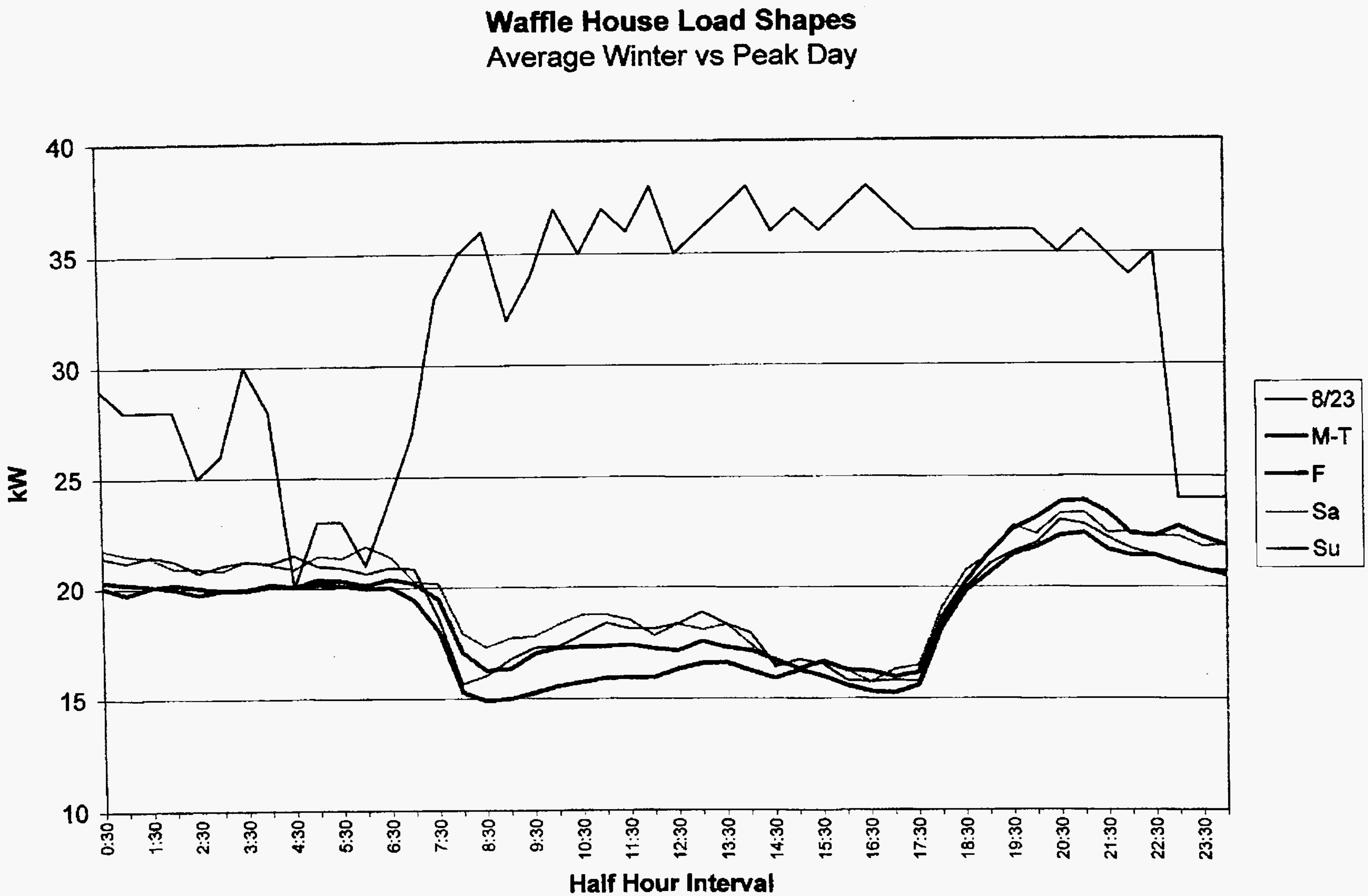
MONTHLY PEAKS AND OUTPUT

(1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
(2) Report on line 2 by month the system's output in Megawatt hours for each month.
(3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
(4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
(5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

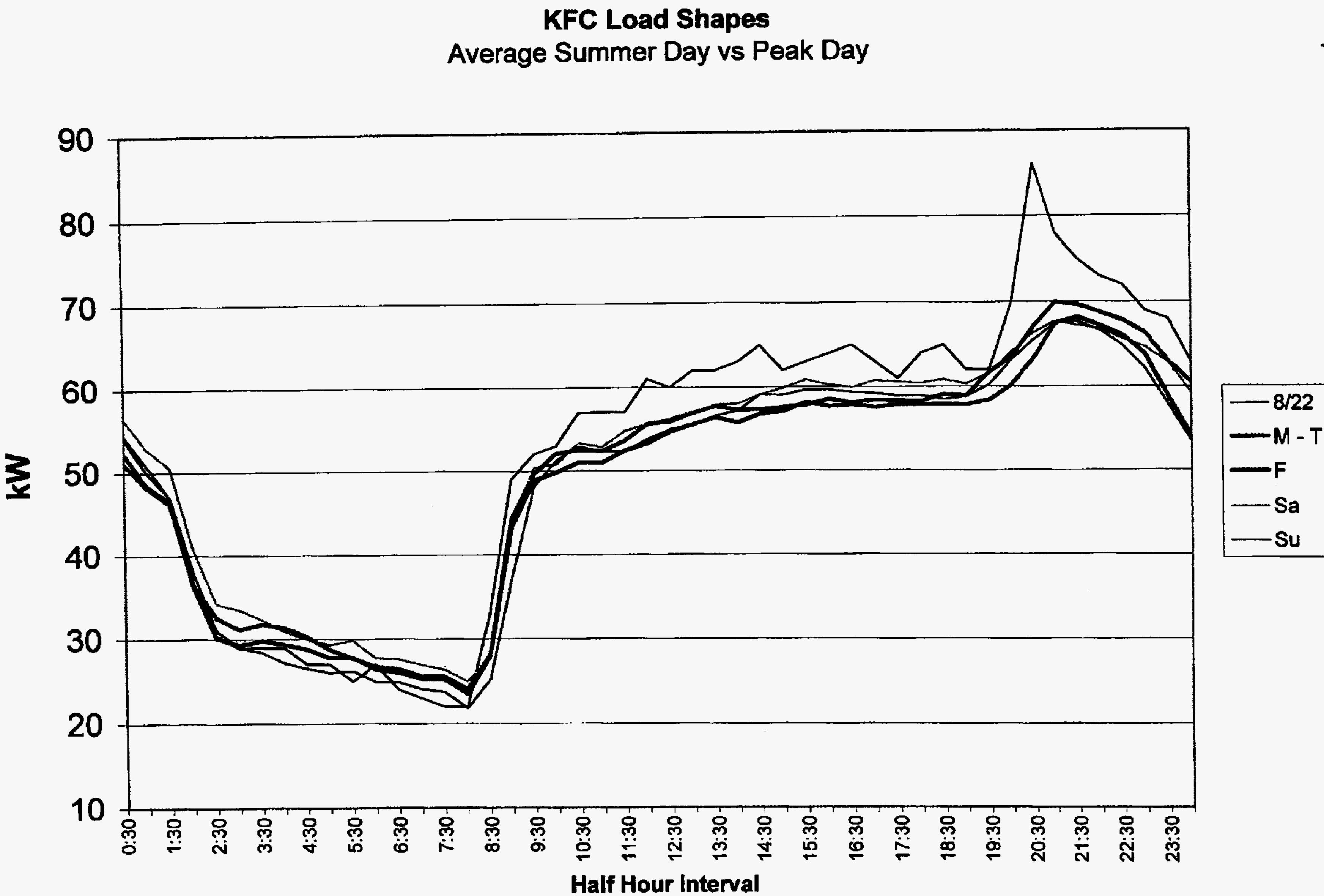
NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirments Sales for Resale & Associated Losses (c)	MONTHLY PEAK Megawatts (See Instr. 4) (d)	MONTHLY PEAK Day of Month (e)	MONTHLY PEAK Hour (f)
29	January	8,538,754	314,352	18,055	3	900
30	February	8,134,412	258,848	15,735	7	1900
31	March	8,503,322	158,091	16,226	16	1700
32	April	8,711,619	92,047	16,995	28	1700
33	May	9,940,192	81,103	20,289	21	1700
34	June	11,033,569	116,458	20,565	5	1700
35	July	10,531,578	83,282	20,951	21	1700
36	August	11,201,613	78,913	21,060	7	1700
37	September	11,116,023	49,151	20,458	29	1700
38	October	9,371,338	70,658	18,742	10	1700
39	November	7,979,472	131,515	16,538	14	1400
40	December	7,800,889	237,256	14,849	10	1900
41	TOTAL	112,862,779	1,671,672			

A0002


Waffle House Load Shapes
Average Winter vs Peak Day
kW
40
35
30
25
20
15
10
0:30
1:30
2:30
3:30
4:30
5:30
6:30
7:30
8:30
9:30
10:30
11:30
12:30
13:30
14:30
15:30
16:30
17:30
18:30
19:30
20:30
21:30
22:30
23:30
Half Hour Interval
8/23
M-T
F
Sa
Su

A0003

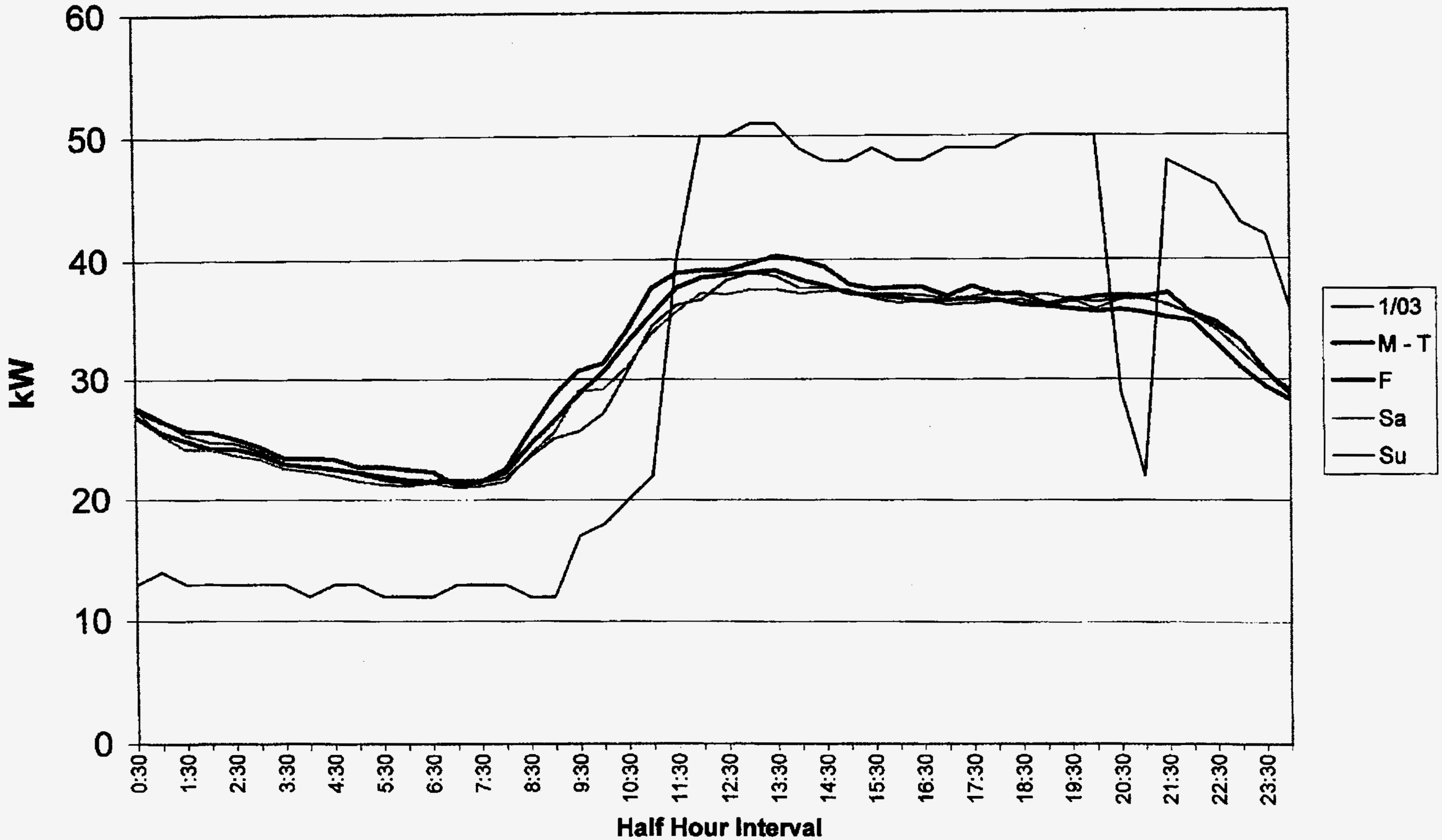


A0004

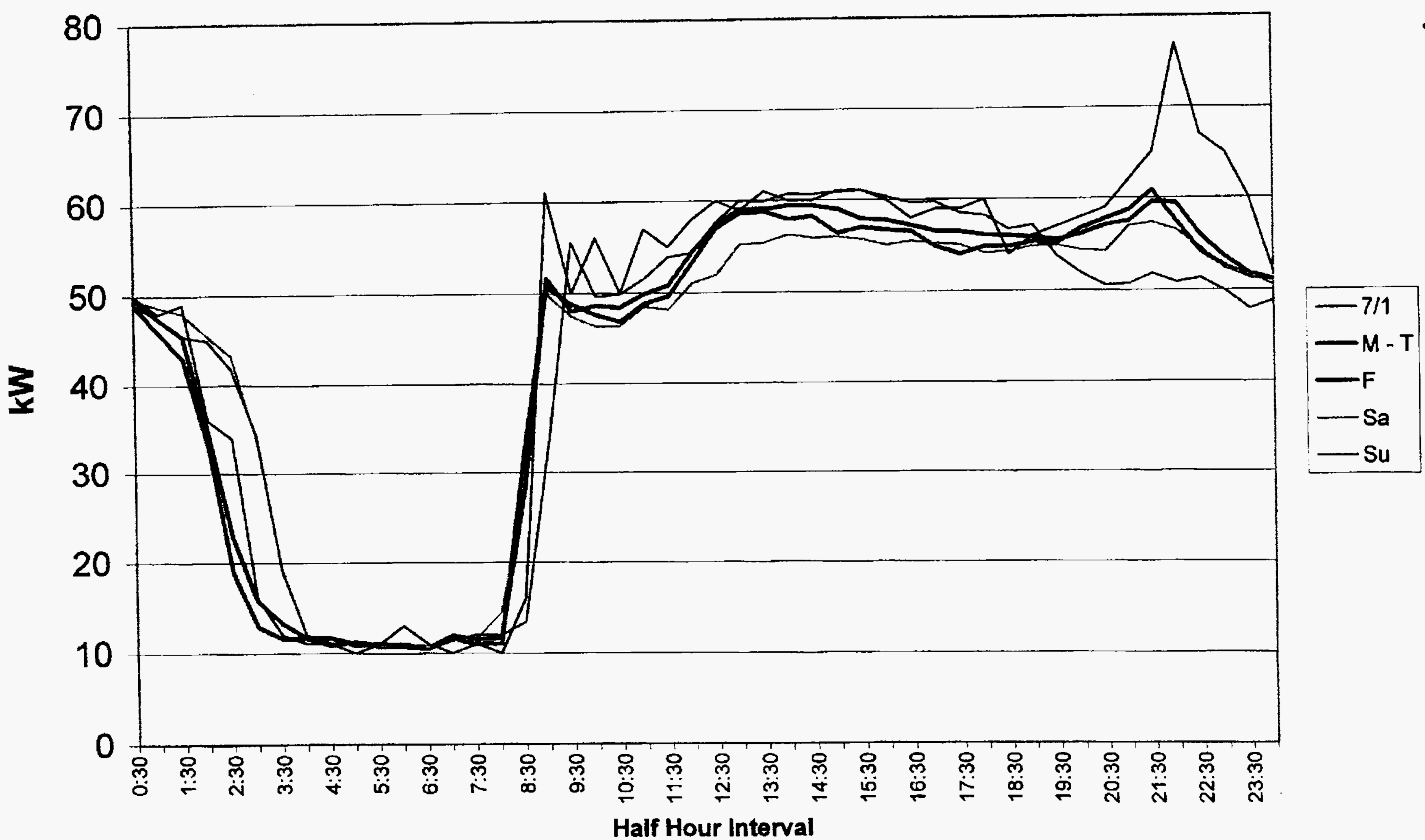
080677 Hearing Exhibits - 00001217

A0005

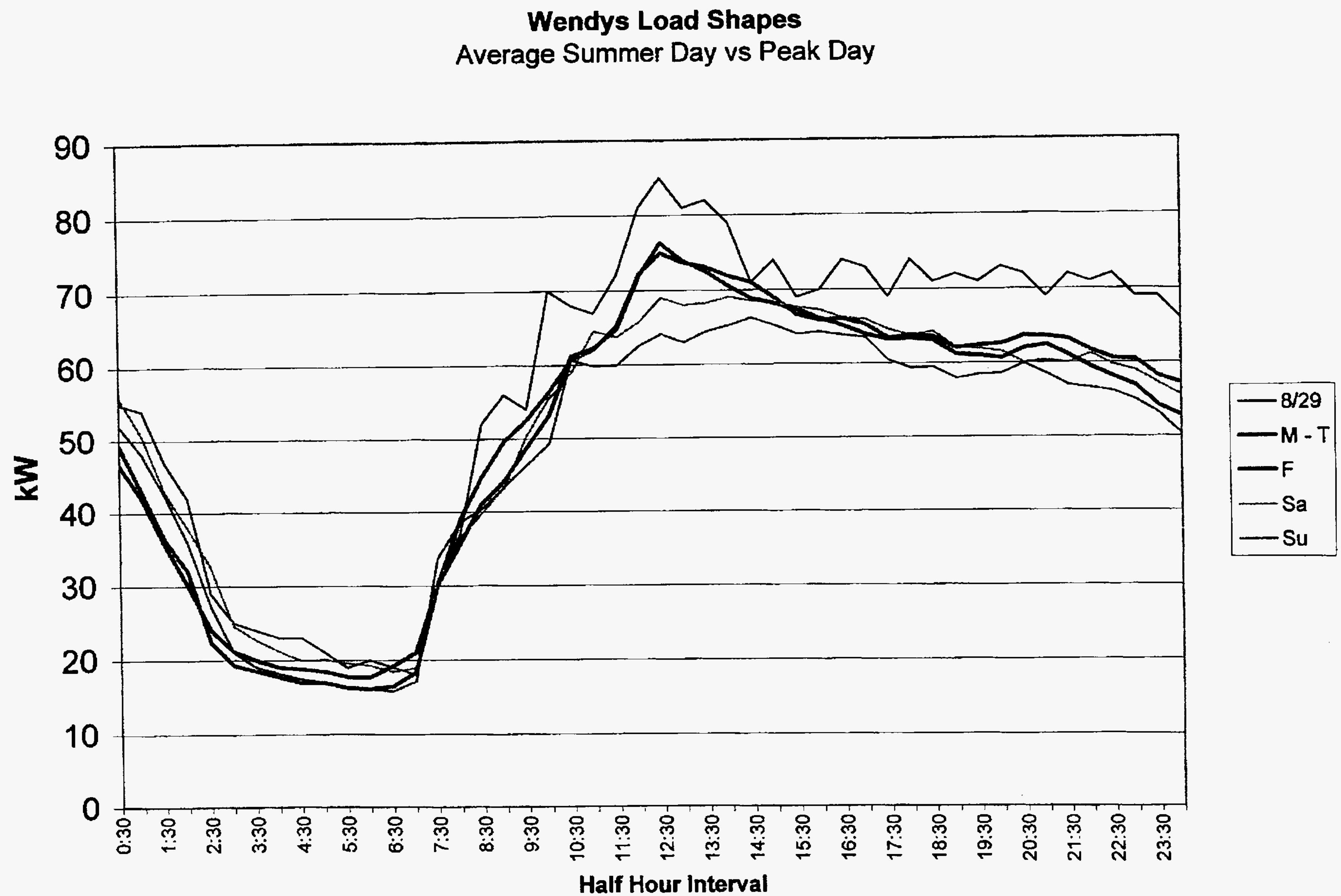
Pizza Hut Load Shapes
Average Summer Day vs Peak Day



Taco Bell Load Shapes
Average Summer Day vs Peak Day



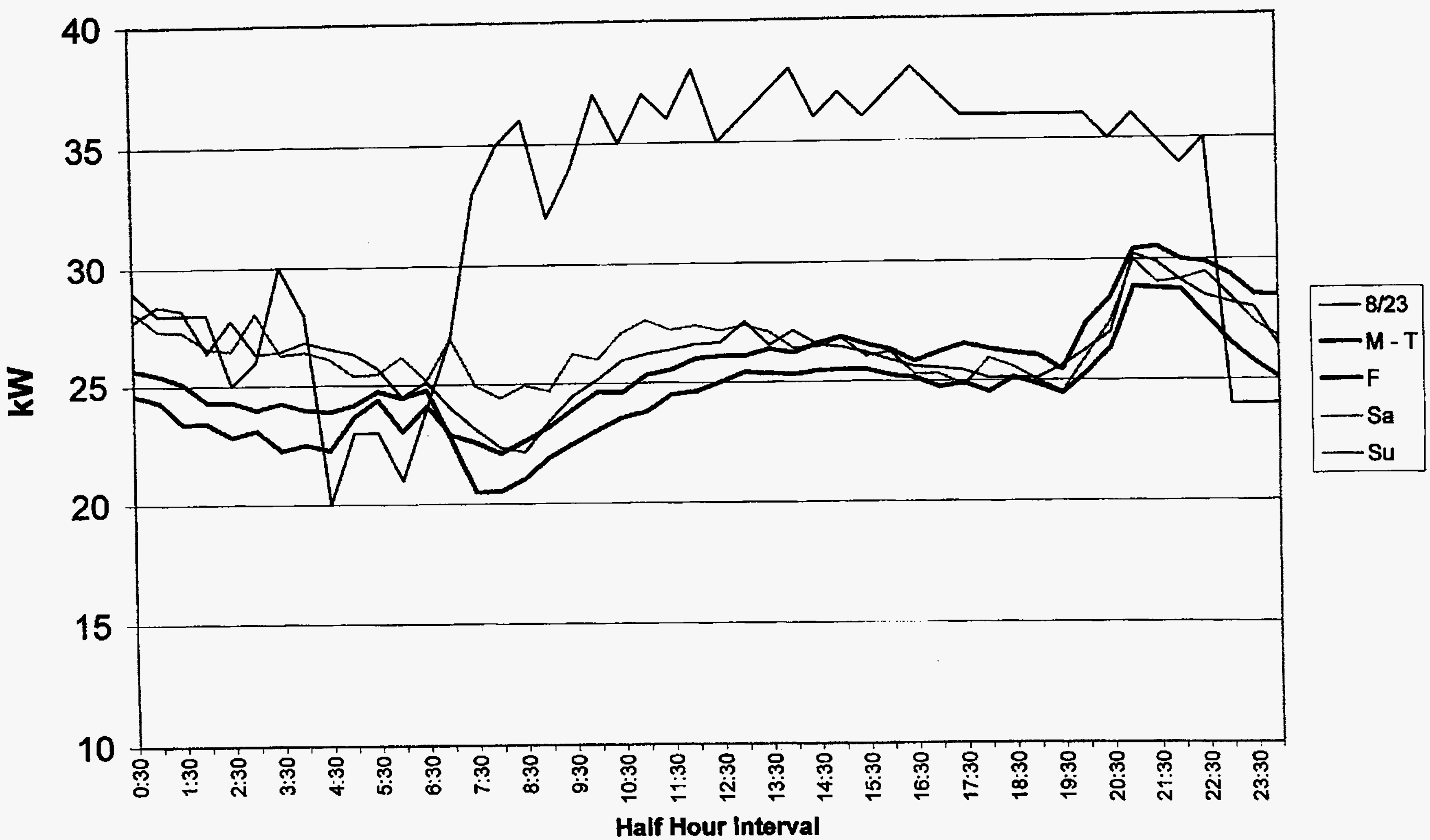
A0006



Wendys Load Shapes
Average Summer Day vs Peak Day
kW
0
10
20
30
40
50
60
70
80
90
0:30
1:30
2:30
3:30
4:30
5:30
6:30
7:30
8:30
9:30
10:30
11:30
12:30
13:30
14:30
15:30
16:30
17:30
18:30
19:30
20:30
21:30
22:30
23:30
Half Hour Interval
8/29
M - T
F
Sa
Su

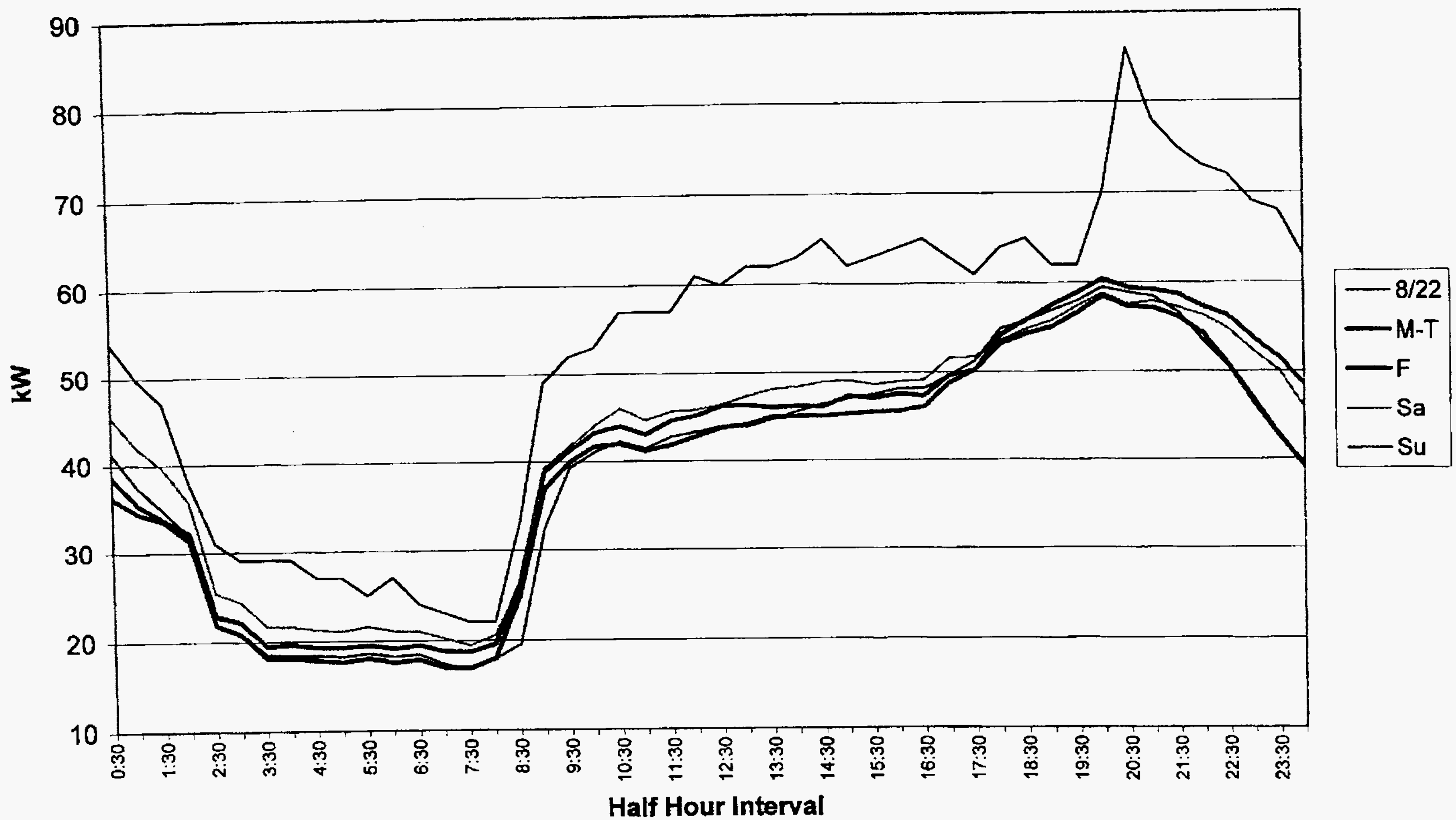
A0007

Waffle House Load Shapes
Average Summer Day vs Peak Day



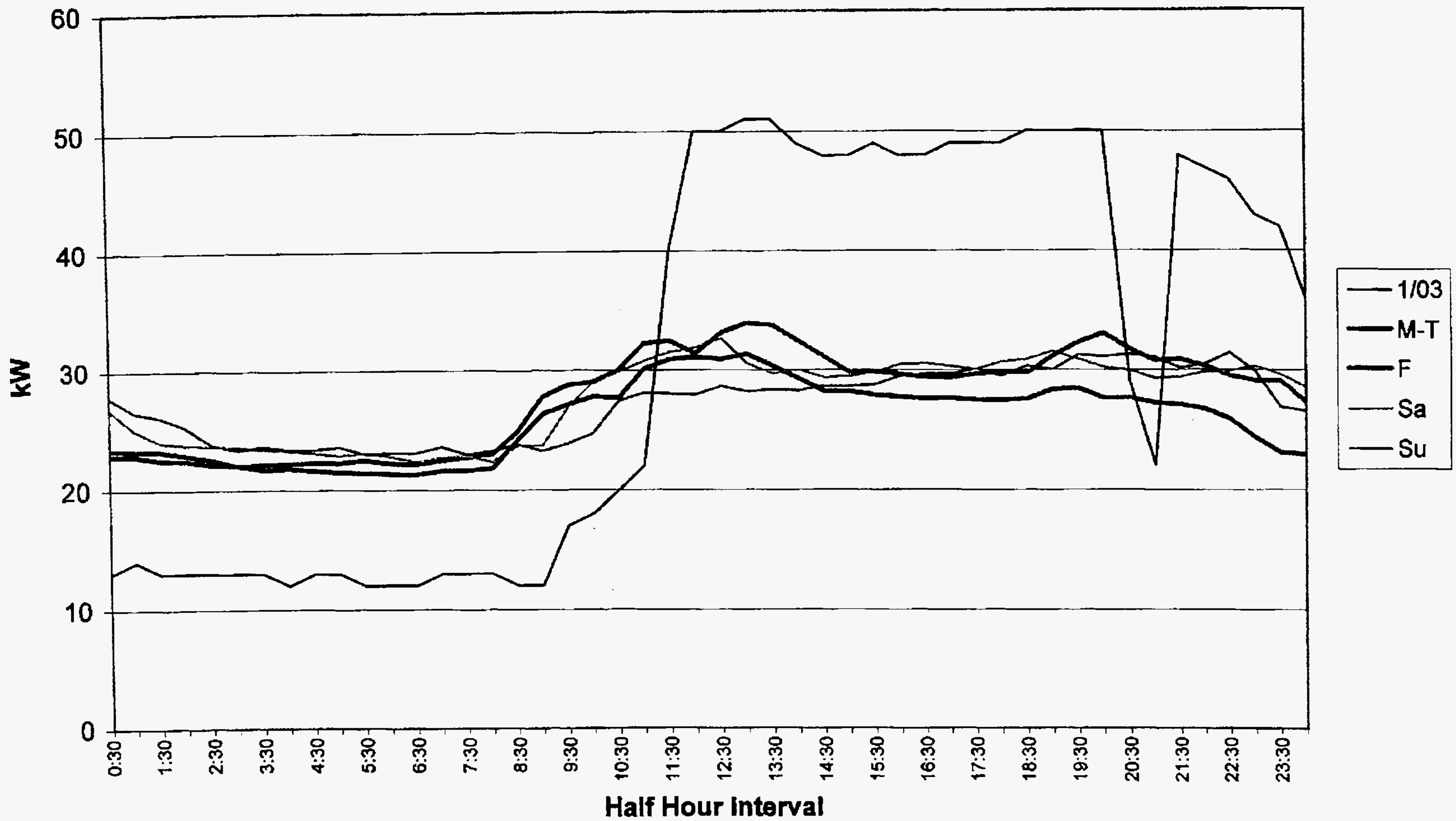
A2008

KFC Load Shapes
Average Winter vs Peak Day



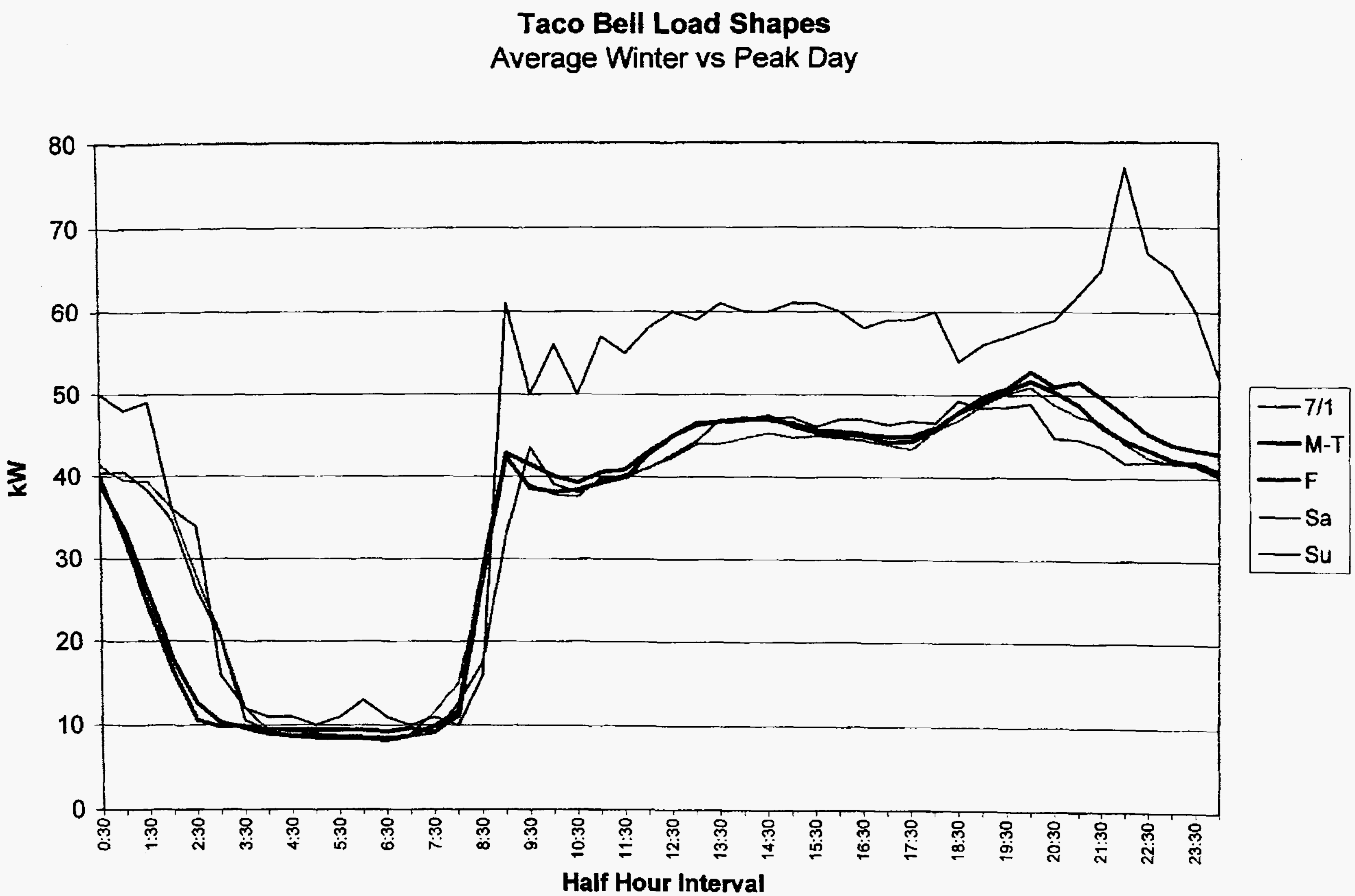
Add 9

Pizza Hut Load Shapes
Average Winter vs Peak Day



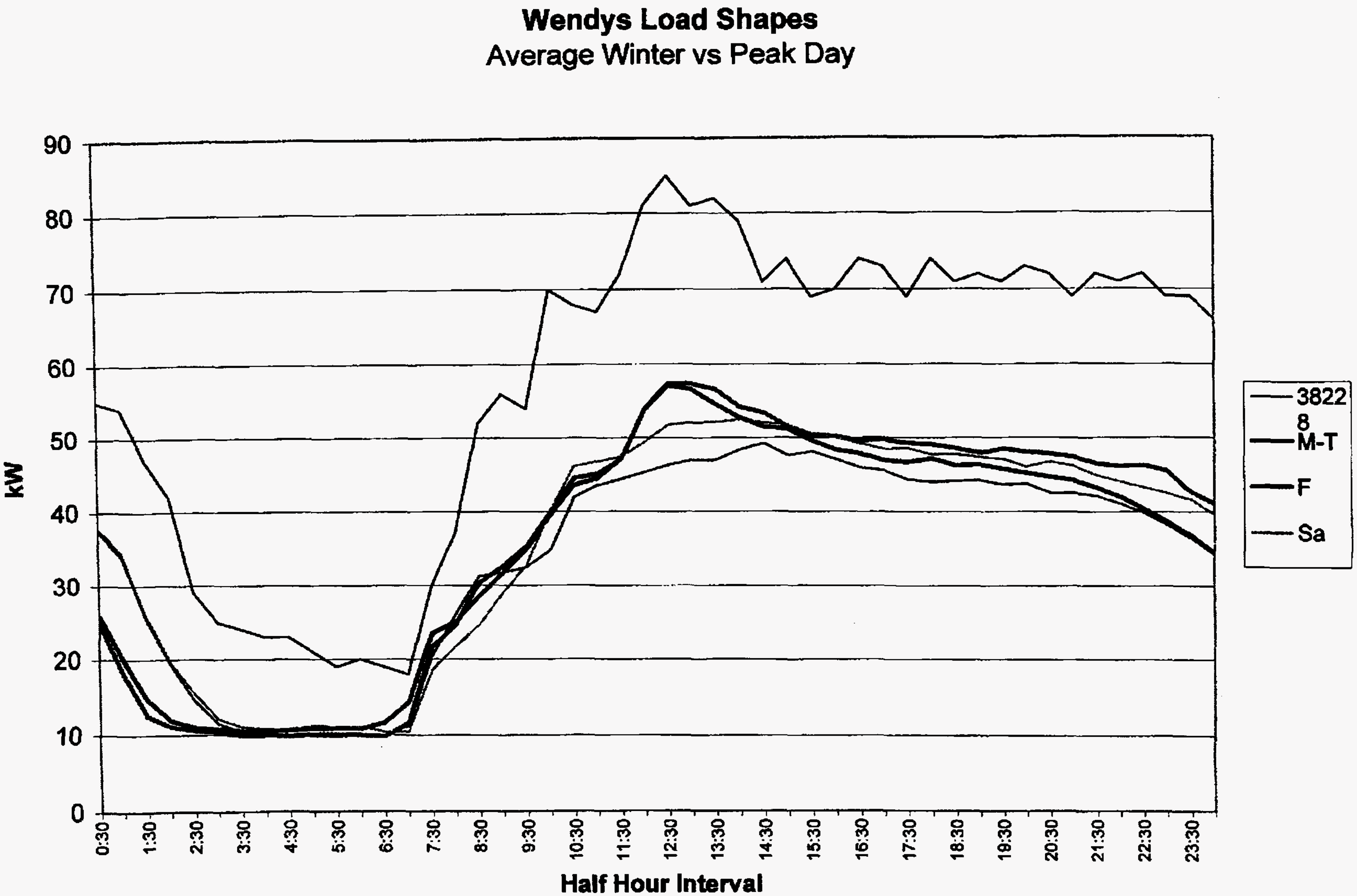
A0010

080677 Hearing Exhibits - 00001223



A0011

080677 Hearing Exhibits - 00001224



A0012

080677 Hearing Exhibits - 00001225

2. Please refer to the direct testimony of Russell L. Klepper. On page 5, lines 21-23, you state that the GSD-1 rate is particularly ill-suited to AFFIRM members. Please provide any specific quantitative cost studies that differentiate AFFIRM members from other customers taking service on the GSD-1 rate.

Response

Please see the charts that were submitted in response to Item 1 of the Document Production Request of the Florida PSC Staff.

The structure of the GSD-1 rate assumes that the peaks of all commercial and industrial customers served on the GSD-1 rate contribute ratably to the monthly system peaks*. But the data provided in response to Item 1 (referenced above) demonstrates that the peaks of the AFFIRM Members (and presumably of similarly situated customers) do not contribute ratably to the FPL monthly peaks, but rather make a disproportionately smaller contribution.

The structure of the GSD-1 rate further assumes that the energy consumption patterns of all commercial and industrial customers served on such rate are substantially similar to the energy consumption pattern of the rate class as a whole. But as discussed in my testimony and demonstrated by the data provided in response to Item 1, the AFFIRM Members (and presumably other similarly situated customers) have consumption patterns whereby a disproportionately smaller amount of their energy consumption occurs during the off-peak periods, as compared to the energy consumption of the rate class as a whole.

Accordingly, assuming that FPL has prepared a cost of service study that has reasonably accurately measured the peak loads and consumption patterns of the rate class as a whole, and given that AFFIRM has demonstrated that its Members (a) make a disproportionately <u>smaller</u> contribution to the monthly peaks than the rate class as a whole, and (b) consume a disproportionately <u>smaller</u> amount of energy during the defined peak hours than the rate class as a whole, then it is a mathematical certainty that commercial and industrial customers other than the AFFIRM Members (c) make a disproportionately <u>larger</u> contribution to the monthly peaks than the rate class as a whole, and (d) consume a disproportionately <u>larger</u> amount of energy during the defined peak hours than the rate class as a whole.

As discussed in the paragraph above, the data related to the AFFIRM Members provided in response to Item 1 creates a mathematical certainty that differentiates the AFFIRM Members from the other commercial and industrial customers served under the GSD-1 rate based on both peak load and energy consumption characteristics.

** For purpose of the discussion above, a ratable contribution to the monthly system peak means that (A) the percentage derived upon dividing (i) the non-coincident peak load of an individual customer by (ii) the sum of the non-coincident peak loads of all individual customers would reasonably approximate (B) the percentage that would be derived upon dividing (i) the load of an individual customer at the time of the coincident system peak by (ii) the coincident system peak.*

Dated: August 21, 2009

Respectfully submitted,

By: */s/ Stephanie Alexander*
Stephanie Alexander, Esq.

TRIPP SCOTT, PA
Attorneys for Intervenor
200 West College Avenue, Suite 216
Tallahassee, Florida 32301
Telephone: (850) 906-9100
Facsimile: (850) 906-9104
email: sda@trippscott.com

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company.	Docket No: 080677-EI
In re: 2009 depreciation and dismantlement Study by Florida Power & Light Company /	Docket No. 090130-EI
	Served: August 21, 2009

THE FLORIDA INDUSTRIAL POWER USERS GROUP'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-14) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-12)

The Florida Industrial Power Users Group (FIPUG), pursuant to rules 1.340 and 1.350, Florida Rules of Civil Procedures, submits the following responses to Florida Public Service Commission Staff's (Staff) First Set of Interrogatories (Nos. 1-14) and First Request for Production of Documents (Nos. 1-12) propounded and served on July 22, 2009.

On August 11, 2009, FIPUG filed general objections to Staff's First Set of Interrogatories (Nos. 1-14) and First Request for Production of Documents (Nos. 1-12) and incorporates all such objections as though fully set forth herein. FIPUG's responses are without waiver of these objections.

All documents will be made available for inspection and review at Keefe, Anchors, Gordon & Moyle, PA, 118 North Gadsden Street, Tallahassee, Florida, during regular business hours, 8:30 a.m. to 5:00 p.m., Monday through Friday, upon reasonable notice.

INTERROGATORY RESPONSES

1. Referring to Page 47, lines 17-18 of witness Pollock's testimony, please

5. Please refer to the direct testimony of Jeffry Pollock, page 13, lines 13-21. Please provide all documents and work papers, in Excel-compatible format if possible, showing the calculation of the change in accruals. If provided in Excel-compatible format, please provide with formulas intact.

RESPONSE: Refer to the attached file: FPL Depreciation Analysis.xlsx

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company. — Docket No: 080677-EI

In re: 2009 depreciation and dismantlement Study by Florida Power & Light Company / — Docket No. 090130-EI

Served: August 21, 2009

THE FLORIDA INDUSTRIAL POWER USERS GROUP'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-14) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-12)

The Florida Industrial Power Users Group (FIPUG), pursuant to rules 1.340 and 1.350, Florida Rules of Civil Procedures, submits the following responses to Florida Public Service Commission Staff's (Staff) First Set of Interrogatories (Nos. 1-14) and First Request for Production of Documents (Nos. 1-12) propounded and served on July 22, 2009.

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INTERROGATORY RESPONSES

1. Referring to Page 47, lines 17-18 of witness Pollock's testimony, please

6. Please provide all documents that support the development of the recommended average remaining lives identified in Interrogatory No. 8 of Staff's First Set of Interrogatories to FIPUG. Please include in the response the derivation of all calculations.

RESPONSE: See FIPUG's response to Staff's POD No. 5.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company.	Docket No: 080677-EI
In re: 2009 depreciation and dismantlement Study by Florida Power & Light Company ______________________/	Docket No. 090130-EI Served: August 21, 2009

THE FLORIDA INDUSTRIAL POWER USERS GROUP'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-14) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-12)

The Florida Industrial Power Users Group (FIPUG), pursuant to rules 1.340 and 1.350, Florida Rules of Civil Procedures, submits the following responses to Florida Public Service Commission Staff's (Staff) First Set of Interrogatories (Nos. 1-14) and First Request for Production of Documents (Nos. 1-12) propounded and served on July 22, 2009.

On August 11, 2009, FIPUG filed general objections to Staff's First Set of Interrogatories (Nos. 1-14) and First Request for Production of Documents (Nos. 1-12) and incorporates all such objections as though fully set forth herein. FIPUG's responses are without waiver of these objections.

All documents will be made available for inspection and review at Keefe, Anchors, Gordon & Moyle, PA, 118 North Gadsden Street, Tallahassee, Florida, during regular business hours, 8:30 a.m. to 5:00 p.m., Monday through Friday, upon reasonable notice.

INTERROGATORY RESPONSES

1. Referring to Page 47, lines 17-18 of witness Pollock's testimony, please

7. Please refer to the direct testimony of FIPUG witness Jeffry Pollock, pages 11-13. Please provide all documents, other than the list of utilities referenced on pages 11 and 12 that the witness relied on in concluding that a 55-year life span is appropriate for FPL's coal units.

RESPONSE: Documents are attached.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company. — Docket No: 080677-EI

In re: 2009 depreciation and dismantlement Study by Florida Power & Light Company / — Docket No. 090130-EI

Served: August 21, 2009

THE FLORIDA INDUSTRIAL POWER USERS GROUP'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-14) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-12)

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INTERROGATORY RESPONSES

1. Referring to Page 47, lines 17-18 of witness Pollock's testimony, please

8. Please refer to the direct testimony of FIPUG witness Jeffry Pollock, page 15, lines 16-22. Please provide all documents and work papers, in Excel-compatible format if possible, showing the calculation of the change in accruals. If provided in Excel-compatible format, please provide with formulas intact.

RESPONSE: See FIPUG's response to Staff's POD No. 5.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company.	Docket No: 080677-EI
In re: 2009 depreciation and dismantlement Study by Florida Power & Light Company /	Docket No. 090130-EI
	Served: August 21, 2009

THE FLORIDA INDUSTRIAL POWER USERS GROUP'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-14) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-12)

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All documents will be made available for inspection and review at Keefe, Anchors, Gordon & Moyle, PA, 118 North Gadsden Street, Tallahassee, Florida, during regular business hours, 8:30 a.m. to 5:00 p.m., Monday through Friday, upon reasonable notice.

INTERROGATORY RESPONSES

1. Referring to Page 47, lines 17-18 of witness Pollock's testimony, please

9. Please provide all documents that support the development of the recommended average remaining lives identified in Interrogatory No. 10 of Staff's First

Set of Interrogatories to FIPUG. Please include in your response the derivation of all calculations.

RESPONSE: See FIPUG's response to Staff's POD No. 5.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company.	Docket No: 080677-EI
In re: 2009 depreciation and dismantlement Study by Florida Power & Light Company /	Docket No. 090130-EI
	Served: August 21, 2009

THE FLORIDA INDUSTRIAL POWER USERS GROUP'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-14) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-12)

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All documents will be made available for inspection and review at Keefe, Anchors, Gordon & Moyle, PA, 118 North Gadsden Street, Tallahassee, Florida, during regular business hours, 8:30 a.m. to 5:00 p.m., Monday through Friday, upon reasonable notice.

INTERROGATORY RESPONSES

1. Referring to Page 47, lines 17-18 of witness Pollock's testimony, please

10. Please provide all documents identified in the response to Interrogatory No. 11B of Staff's First Set of Interrogatories to FIPUG.

RESPONSE: There are no source documents.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No: 080677-EI

In re: 2009 depreciation and dismantlement Study by Florida Power & Light Company
______________________________________/

Docket No. 090130-EI

Served: August 21, 2009

THE FLORIDA INDUSTRIAL POWER USERS GROUP'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-14) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-12)

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All documents will be made available for inspection and review at Keefe, Anchors, Gordon & Moyle, PA, 118 North Gadsden Street, Tallahassee, Florida, during regular business hours, 8:30 a.m. to 5:00 p.m., Monday through Friday, upon reasonable notice.

INTERROGATORY RESPONSES

1. Referring to Page 47, lines 17-18 of witness Pollock's testimony, please

11. Please provide all documents that support the response to Interrogatory No. 11C of Staff's First Set of Interrogatories to FIPUG.

RESPONSE: There are no source documents.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company.	Docket No: 080677-EI
In re: 2009 depreciation and dismantlement Study by Florida Power & Light Company /	Docket No. 090130-EI
	Served: August 21, 2009

THE FLORIDA INDUSTRIAL POWER USERS GROUP'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-14) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-12)

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All documents will be made available for inspection and review at Keefe, Anchors, Gordon & Moyle, PA, 118 North Gadsden Street, Tallahassee, Florida, during regular business hours, 8:30 a.m. to 5:00 p.m., Monday through Friday, upon reasonable notice.

INTERROGATORY RESPONSES

1. Referring to Page 47, lines 17-18 of witness Pollock's testimony, please

12. Please refer to the direct testimony of FIPUG witness Jeffry Pollock, page 17, line 22. Please provide all documents that support the witness' position that FPL should cease contributions to the dismantlement reserve.

RESPONSE: There are no source documents.

s/ Vicki Gordon Kaufman

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Attorneys for FIPUG

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	DOCKET NO. 080677-EI DATED: JULY 22, 2009

STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION (NO. 1-10)

Pursuant to Rule 28-106.206, Florida Administrative Code, and Rule 1.350, Florida Rules of Civil Procedure, the Staff of the Florida Public Service Commission, by and through its undersigned attorney, hereby serves the following Request for Production of Documents upon South Florida Hospital and Healthcare Association (SFHHA).

Please produce the following documents at the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, no later than thirty days after service of this request for the purpose of inspection and copying.

DEFINITIONS

As used herein, the word "documents" shall mean the original and any non-identical copies of any writing or record, including but not limited to a book, pamphlet, periodical, letter, memorandum, telegram, report, study, interoffice or intraoffice, handwritten or other notes, working paper, draft, application, permit, chart, paper, graph, survey, index, tape, disc, data sheet or data processing card, computer printout, or any other written, recorded, transcribed, filed or graphic matter, however produced or reproduced.

DOCUMENTS REQUESTED

1. Please provide copies of all orders cited in Stephen J. Baron's exhibit SBJ-5.

2. Please refer to the direct testimony of SFHHA witness Lane Kollen, pages 53-55. If the witness is contending that FPL's retirements planned during the next 4 years are imprudent, please provide copies of all documents supporting this conclusion.

3. Please provide copies of all documents supporting the response to Interrogatory No. 8(b) of Staff's First Set of Interrogatories to South Florida Hospital and Healthcare Association.

4. Please provide copies of all documents supporting the response to Interrogatory No. 8(c) of Staff's First Set of Interrogatories to South Florida Hospital and Healthcare Association.

5. Please provide copies of all documents supporting the response to Interrogatory No. 14(b) of Staff's First Set of Interrogatories to South Florida Hospital and Healthcare Association.

6. Please provide copies of all documents supporting the response to Interrogatory No. 15 of Staff's First Set of Interrogatories to South Florida Hospital and Healthcare Association.

7. Please provide copies of all documents supporting the response to Interrogatory No. 16 of Staff's First Set of Interrogatories to South Florida Hospital and Healthcare Association.

8. Please provide copies of all documents, including workpapers, supporting the response to Interrogatory No. 18 of Staff's First Set of Interrogatories to South Florida Hospital and Healthcare Association.

9. Please provide copies of all documents, including workpapers, supporting the response to Interrogatory No. 20 of Staff's First Set of Interrogatories to South Florida Hospital and Healthcare Association.

10. Please provide copies of all documents supporting the response to Interrogatory No. 21 of Staff's First Set of Interrogatories to South Florida Hospital and Healthcare Association.

s/Jean Hartman

JEAN E. HARTMAN
Senior Attorney
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6199

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	DOCKET NO. 080677-EI DATED: JULY 22, 2009

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and one correct copy of STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION, (NO. 1-10) has been served by electronic and U. S. mail to Andrews Kurth, LLP, K. Wiseman/M. Sundback/J. Spina/L. Purdy, 1350 I Street NW, Suite 1100, Washington, DC., 20005, and that a true copy thereof has been furnished to the following by U. S. mail this 22nd day of July, 2009:

Wade Litchfield
Florida Power & Light Company
215 South Monroe Street, Suite 810
Tallahassee, Florida 32301-1859

Robert A. Sugarman/D. Marcus Braswell
I.B.E.W. System Council U-4
Sugarman & Susskind, P.A.
100 Miracle Mile, Suite 300
Coral Gables, Florida 33134

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

Bill McCollum/ Cecilia Bradley
Office of the Attorney General
The Capitol, PL-01
Tallahassee, Florida 32399-1050

J.R. Kelly /Joseph A. McGlothlin
Office of Public Counsel
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111 W. Madison Street, Room 812
Tallahassee, Florida 32399-1400

Thomas Saporito
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Jupiter, Florida 33468-8413

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Robert Scheffel Wright/John T. LaVia, III
Young van Assenderp. P.A.
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City of South Daytona
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South Daytona, FL 32121

Captain Shayla L. McNeill
AFLOA/JACL-ULT
AFCESA
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Tyndall Air Force Base, Florida 32403

Tamela I. Perdue
Associated Industries of Florida
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Tallahassee, Florida 32301

Stephanie Alexander, Esquire
Tripp Scott, P.A.
200 West College Avenue
Tallahassee, Florida 32301

s/Jean Hartman
JEAN E. HARTMAN
Senior Attorney
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(850) 413-6199

CFR Ch. I Pt 101
Account 108
– Response to: Staff No 5
FPL No. 35

108 Accumulated provision for depreciation of electric utility plant (Major only).

A. This account shall be credited with the following:

(1) Amounts charged to account 403, Depreciation Expense, or to clearing accounts for current depreciation expense for electric plant in service.

(2) Amounts charged to account 403.1, Depreciation expense for asset retirement costs, for current depreciation expense related to asset retirement costs in electric plant in service in a separate subaccount.

(3) Amounts charged to account 421, Miscellaneous Nonoperating Income, for depreciation expense on property included in account 105, Electric Plant Held for Future Use. Include, also, the balance of accumulated provision for depreciation on property when transferred to account 105, Electric Plant Held for Future Use, from other property accounts. Normally **account 108** will not be used for current depreciation provisions because, as provided herein, the service life during which depreciation is computed commences with the date property is includible in electric plant in service; however, if special circumstances indicate the propriety of current accruals for depreciation, such charges shall be made to account 421, Miscellaneous Nonoperating Income.

(4) Amounts charged to account 413, Expenses of Electric Plant Leased to Others, for electric plant included in account 104, Electric Plant Leased to Others.

(5) Amounts charged to account 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work, or to clearing accounts for current depreciation expense.

(6) Amounts of depreciation applicable to electric properties acquired as operating units or systems. (See electric plant instruction 5.)

(7) Amounts charged to account 182, Extraordinary Property Losses, when authorized by the Commission.

(8) Amounts of depreciation applicable to electric plant donated to the utility.

(The utility shall maintain separate subaccounts for depreciation applicable to electric plant in service, electric plant leased to others and electric plant held for future use.)

B. At the time of retirement of depreciable electric utility plant, this account shall be charged with the book cost of the property retired and the cost of removal and shall be credited with the salvage value and any other amounts recovered, such as insurance. When retirement, costs of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate subaccount hereunder. Upon completion of the work order, the proper distribution to subdivisions of this account shall be made as provided in the following paragraph.

C. For general ledger and balance sheet purposes, this account shall be regarded and treated as a single composite provision for depreciation. For purposes of analysis, however, each utility shall maintain subsidiary records in which this account is segregated according to the following functional classification for electric plant:

(1) Steam production,

(2) Nuclear production,

(3) Hydraulic production,

(4) Other production,

(5) Transmission,

(6) Distribution,

(7) Regional Transmission and Market Operation, and

(8) General.

These subsidiary records shall reflect the current credits and debits to this account in sufficient detail to show separately for each such functional classification:

(a) The amount of accrual for depreciation,

(b) The book cost of property retired,

(c) Cost of removal,

(d) Salvage, and

(e) Other items, including recoveries from insurance.

Separate subsidiary records shall be maintained for the amount of accrued cost of removal other than legal obligations for the retirement of plant recorded in **Account 108,** Accumulated provision for depreciation of electric utility plant (Major only).

D. When transfers of plant are made from one electric plant account to another, or from or to another utility department, or from or to nonutility property accounts, the accounting for the related accumulated provision for depreciation shall be as provided in electric plant instruction 12.

E. The utility is restricted in its use of the accumulated provision for depreciation to the purposes set forth above. It shall not transfer any portion of this account to retained earnings or make any other use thereof without authorization by the Commission.

CFR Ch. 1 Pt 101
Accounting Instruction 10

Responsive to:
Staff No. 6
FPL No. 36

When used in this system of accounts:

1. *Accounts* means the accounts prescribed in this system of accounts.

2. *Actually issued,* as applied to securities issued or assumed by the utility, means those which have been sold to bona fide purchasers for a valuable consideration, those issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking funds.

3. *Actually outstanding,* as applied to securities issued or assumed by the utility, means those which have been actually issued and are neither retired nor held by or for the utility; provided, however, that securities held by trustees shall be considered as actually outstanding.

4. *Amortization* means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

5. A. *Associated (affiliated) companies* means companies or persons that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the accounting company.

B. *Control* (including the terms *controlling, controlled by,* and *under common control with*) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

6. *Book cost* means the amount at which property is recorded in these accounts without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

7. *Commission,* means the Federal Energy Regulatory Commission.

8. *Continuing Plant Inventory Record* means company plant records for retirement units and mass property that provide, as either a single record, or in separate records readily obtainable by references made in a single record, the following information:

A. For each retirement unit:

(1) The name or description of the unit, or both;

(2) The location of the unit;

(3) The date the unit was placed in service;

(4) The cost of the unit as set forth in Plant Instructions 2 and 3 of this part; and

(5) The plant control account to which the cost of the unit is charged; and

B. For each category of mass property:

(1) A general description of the property and quantity;

(2) The quantity placed in service by vintage year;

(3) The average cost as set forth in Plant Instructions 2 and 3 of this part; and

(4) The plant control account to which the costs are charged.

9. *Cost* means the amount of money actually paid for property or services. When the consideration given is other than cash in a purchase and sale transaction, as distinguished from a transaction involving the issuance of common stock in a merger or a pooling of interest, the value of such consideration shall be determined on a cash basis.

10. *Cost of removal* means the cost of demolishing, dismantling, tearing down or otherwise removing electric plant, including the cost of transportation and handling incidental thereto. It does not include the cost of removal activities associated with asset retirement obligations that are capitalized as part of the tangible long-lived assets that give rise to the obligation. (*See* General Instruction 25).

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: PETITION FOR INCREASE IN RATES BY FLORIDA POWER & LIGHT COMPANY.
_______________________________/

DOCKET NO. 080677-EI

TELEPHONIC DEPOSITION OF: ROBERT E. BARRETT, JR.

TAKEN AT THE INSTANCE OF: The Florida Public Service Commission

DATE: August 19, 2009

TIME: Commenced at 9:00 a.m.
Concluded at 11:35 a.m.

LOCATION: Florida Public Service Commission
2540 Shumard Oak Boulevard
Room 382D, Gunter Building
Tallahassee, Florida

REPORTED BY: ANITA M. PEKEROL, RPR, CP, CM
Certified Realtime Reporter

ACCURATE STENOTYPE REPORTERS, INC.
2894-A Remington Green Lane
Tallahassee, Florida 32308
(850) 878-2221

APPEARANCES:

APPEARING ON BEHALF OF THE FLORIDA PUBLIC SERVICE COMMISSION:

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BETTY GARDNER, FPSC Staff
CLARENCE PRESTWOOD, FPSC Staff

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BERT GONZALEZ, FP&L
GLORIA LOPEZ, FP&L
DAVID REINSTEIN, FP&L

APPEARANCES (continued):

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REPRESENTING ASSOCIATED INDUSTRIES OF FLORIDA:

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I N D E X

E X H I B I T S

P R O C E E D I N G S

\- - -

IT IS STIPULATED that this deposition was taken pursuant to notice in accordance with the applicable Florida Rules of Civil Procedure; that objections, except as to the form of the question, are reserved until hearing in this case; and that reading and signing was not waived.

IT IS ALSO STIPULATED that any off-the-record conversations are with the consent of the deponent.

\- - -

MS. WILLIAMS: Okay. Do you want to go ahead and swear in the witness if she's ready?

THE NOTARY: My name is Jacqueline Bussey, and I'm a notary duly appointed and commissioned here in the State of Florida.

Robert Barrett, in the matter of institution for increase in rates by Florida Power & Light Company, Docket Number 080677-EI, do you solemnly swear that the testimony that you are about to give is the truth, the whole truth, and nothing but the truth?

THE WITNESS: I do.

THE NOTARY: Duly sworn.

MR. BUTLER: Hey, thank you. We'll fax that certificate of oath to you shortly.

MS. WILLIAMS: Great. Thank you.

Now, I guess before I get started with my questions, I'll go over a couple of things. I think we usually all agree that objections, except to form, are preserved.

So if your attorney objects, just go ahead and answer the question unless he instructs you not to.

And if at any time you don't understand the question that I ask you or you want me to explain it further, just don't hesitate to ask me and I'll do my best to clarify that for you.

Are you ready to get started?

MR. BUTLER: We are. Anna, one thing I just want to mention up front is that part of this same team, notably including me, is involved in defending the deposition of Ms. Ousdahl.

MS. WILLIAMS: Yes.

MR. BUTLER: So just for a timing perspective, we'll need whatever time it is to get set up and commence that one after whenever this one finishes, if that becomes an issue.

MS. WILLIAMS: I think mine should go fairly quickly. How many other people do we have that have questions?

MS. GRIFFITHS: I have limited questions for the witness.

MR. MOYLE: On behalf of FIPUG, I'll have some.

MS. WILLIAMS: Okay. I will try to be efficient.

MR. BUTLER: Okay.

MS. WILLIAMS: But I do recognize you have one at 11, so...

MR. BUTLER: Let's just all try to do that so we can keep on schedule, if possible.

MS. WILLIAMS: Okay. Sounds good. Well, I guess we'll get started.

DIRECT EXAMINATION

BY MS. WILLIAMS:

Q. If I could have you turn to, Mr. Barrett, turn to page 5 of your direct testimony. Looking at page 5, lines 11 through 16, you state that you are responsible for developing the customer and sales forecast, operations and maintenance budget, the capital expenditure budget, and the per books forecast, correct?

A. Yes.

Q. You also provide guidance to the FP&L business units to ensure that corporate assumptions are followed?

A. Uh-huh. Yes.

Q. Can we flip to page 13 of your direct now?

A. Okay.

Q. Now, the capital expenditure forecasts were prepared for 2009 through 2013, correct?

A. Yes.

Q. How long has FP&L used a five-year forecast for capital expenditures?

A. Boy, as long as I can remember. That's pretty much always been our practice.

Q. Always been your practice. Okay.

Can you explain why 2009 is the budget year for this proceeding instead of the historical test year of 2008?

A. Well, when we put together our five-year forecast in 2008, we're looking forward five years, so we're looking at 2009, setting the budget for that year and then four more years. Keep in mind that when it is approved it is in 2008.

THE COURT REPORTER: Did you say "Keep in mind that when it is approved it is in 2008"?

THE WITNESS: What I said was that when the 2009 to '13 forecast was approved, the '09 budget, and then the '10 through '13 forecast, it was late in 2008 and we're always looking forward five years.

BY MS. WILLIAMS:

Q. Okay. Thanks for that clarification.

Now, on page 13, lines 22 to 23 you mention that the budget year typically is subject to more intense review as it forms the basis for operating and financial plans for the coming year. Was the 2008 budget subjected to an intense review due to the economic downturn?

A. Well, the 2008 budget would have been prepared in late 2007. Are you talking about the budget that was prepared in 2008 for 2009 through '13?

Q. No. I'm talking about for the historic base year.

A. Let me just make sure I understand.

Q. In the MFRs.

A. The budget for 2008 -- and keeping in mind we don't present budget information for 2008 in the MFRs. I mean, you are welcome to ask about it, but we present actuals there and then the projections for the later years.

Q. One second.

Did the 2008 economic downturn affect the budget that was created for 2009 at all?

A. Yes.

Q. Could you explain that, how it affected it, generally?

A. Sure. The downturn really, as we saw it, began kind of late 2007, early 2008, so as we were beginning to put together the assumptions that were going to be used in the 2009 budget that would be approved in late 2008, the process spans, you know, many months during the year 2008.

As the economy began to deteriorate in early 2008, we took that into account as we were putting together the assumptions that would then form the basis for the 2009 and beyond budgets and forecasts.

And I think as I mentioned in my direct testimony, we had to review those assumptions several times in 2008 as we were going through the review process of the 2009 budgets because things just kept deteriorating.

Q. Right. Okay. Thank you. Can I get you to turn now to Exhibit REB-16, the first page. I think it is only one page, so the first page.

A. Yes, I am there.

Q. Can you explain the difference between the proposed and approved budget as shown in this exhibit, I believe it's, though --

A. For 2009?

Q. Yes, for 2009.

A. Yes. The proposed budget was essentially the initial request that the business unit submitted to us in corporate budgets as they looked out at 2009. So the vintage of that would have been kind of early summer of 2008 as we were beginning the budget process. That was kind of their first salvo to ask for funds for 2009.

From that point to the approved budget, which was late in the year, we went through several review sessions and challenge sessions updating assumptions about the economy, customer growth, et cetera, to end up with an approved budget, which was substantially lower, reflecting the lower growth than what we had earlier thought earlier in the summer.

Q. What happens to those capital expenditures that are not approved?

A. Well, only the approved budget for 2009 is what the units are held accountable to. So the proposed budget goes away. It is irrelevant once we have an approved budget.

Q. So those capital expenditures don't exist anymore for all intents and purposes, they disappear is what you just said?

A. Are you, again, referring to the 2009 proposed budget?

Q. The ones that were included in the proposed budget that were not approved later in the year.

MR. BUTLER: For clarification, do you mean what happened to them in 2009 or do you mean what happened to them more broadly into the future?

BY MS. WILLIAMS:

Q. More broadly into the future.

A. I guess all I can really comment about that is because those initial proposed budgets represented the business unit's view of the business in 2009, which evolved through 2008 as we prepared the final budget, so things that did not get approved may, you know, may still need to be spent at some point, but they just -- as we saw the budgets in 2008 at the end of the year when we approved them, we saw that they were not needed to be spent in 2009.

Q. Okay. Thank you. Going back to your direct testimony on page 19, I will be referring to lines 16 through 18. You mention here that the planned capital expenditures in 2008 were reduced by $530 million and that the planned capital expenditures for 2009 were reduced by more than $450 million?

A. Right.

Q. Is it correct to say that for 2009 the reduction as reflected in Exhibit REB-16 is 469 million?

A. Yes.

Q. Is it also correct to say that for all of the 2009 business units the approved budget is 2,790 million?

A. Yes.

Q. Now can I get you to turn to FP&L's response to South Florida Hospital and Health Care Association's ninth set of interrogatories, number

279. And I'm going to be referring to the attachment, the first page of the two-page attachment.

A. Hang on a second. I've got to find that.

Q. Okay. No problem. Just let me know when you are there.

A. Okay.

Q. Is it correct to say that the total capital budget using the actual expenditures for January through April is 2,620 million? And let me explain --

A. Tell me how you got there.

Q. Okay. If you go down, we're looking at the second chart, the actuals for 2009, if you use the actuals for January, February, March, and April, the totals, 167, 127, 242, and 191, using the actuals to calculate the entire year's total, then going up to May on the approved capital budget chart and using the May through December totals there --

A. Okay.

Q. -- I'm trying to find out if the total capital budget using the actuals for January through April equals 2,620 million. So, I mean, subject to check.

A. No. The capital budget is 2790. What you are referring to is to the extent there was an underrun in the first four months, that doesn't change our budget. You know, there is going to be always timing within the year of certain things and the business units are held accountable to their budgets. There may be -- you know, and early in the year there may be things that are over budget, under budget. All that really matters from a budget perspective -- and we don't change the budget, per se, so the budget is still 2790.

Q. Thanks. But what projects or capital expenditures were delayed or cancelled for that period January through April?

A. I don't know of any specific projects that were delayed or cancelled.

Q. So, Mr. Barrett, are you saying, looking at the top of this exhibit, I mean not this exhibit, sorry, the top of this attachment, the Approved Capital Budget, the numbers that are reflected for January through April are all higher than, I shouldn't say they're all higher, three of the four are higher than those that ended up being the actual amounts; but you're not aware of why there is that decrease, why there is the change?

A. I guess what I'm saying is I don't have specific projects, per se. Some of them, it is just timing of capital projects.

Q. Would it be possible for you to provide a late-filed of the reason why the actual and approved differed for those four months?

MR. BUTLER: We may be able -- if need be we can do that. Anna, one thing that I would suggest is that Mr. Barrett's Exhibit REB-22 is kind of going to the subject that you are getting at and it may be productive to just wait for that and then see whether this late-filed exhibit is needed.

MS. WILLIAMS: And definitely that is right where I'm about to go. So why don't we hold off on that, and if the question that we're trying to get answered is still outstanding, we can address it then.

MR. BUTLER: Okay.

BY MS. WILLIAMS:

Q. So staying with this exhibit, but moving on to page 2 of that exhibit --

A. Are you referring back to the interrogatory?

Q. Sorry, the interrogatory. Page 2 of the attachment to interrogatory number 279.

A. Okay.

Q. Can you explain, looking at the top, the Approved Capital Budget, the row entitled Customer Service --

A. Uh-huh.

Q. -- can you explain why the budget transfer occurred between customer service and project development for 9 million?

A. Subject to check, I believe that was a transfer of some responsibilities out of the customer service organization into project development related to conservation activities.

Q. Also referring to this same page, under the Business Unit descriptions, there is a category entitled Other. What is included or what does "other" mean in this chart?

A. Well, it really, I hate to say it, it means everybody else; but it is the staff units that are not -- you know, we've essentially listed the operating units as power gen, nuclear, transmission, distribution, and customer service. A couple of the big staff units -- or, actually, one big staff unit, engineering and construction and project development, and everybody else kind of gets lumped into the other. It would include, you know, the financial unit, the HR unit, energy marketing and trading. Everybody else essentially.

Q. Would you be able to specify in greater detail if you were given time to do so what all is included in that kind of miscellaneous other category?

A. Just a breakdown of that 191?

Q. Yes.

A. Sure.

MS. WILLIAMS: Can we do that as a late-filed?

MR. BUTLER: Sure. We can do that. Sure.

MS. WILLIAMS: I guess we can call this 2009 Approved Capital Budget Other, unless you have a better suggestion.

MR. BUTLER: I think we all would understand what that would mean.

(Deposition Late-Filed Exhibit 1 will be marked for identification.)

THE WITNESS: We probably ought to reference it as referenced on Hospital Association interrogatory 279.

MS. WILLIAMS: Okay.

BY MS. WILLIAMS:

Q. Now we're going to turn to Exhibit REB-22 of your rebuttal testimony.

A. Okay.

Q. This is the 2009 Capital Variances to Budget. Is it correct to say that this exhibit shows the breakdown of the capital expenditure reductions by project for FP&L'S response to interrogatory number 279 of SFHHA's ninth set of interrogatories?

A. Actually, it was intended to show, I think the interrogatory response actually is the year-to-date variance. And this kind of goes beyond that to say let's take a look at what that does to the full year.

So I'm not sure if that is responsive to your question, but this is not prepared in response to that interrogatory. It was intended for me to be able to make a couple of points.

Q. Okay. Similar to what I asked you with respect to FP&L's response to South Florida Hospital's interrogatory number 279 where there were two categories titled other, on Exhibit REB-22, at line 11 you also have a category called other.

A. Yes.

Q. Is this similar to the one we previously discussed?

A. Yeah, pretty much. Yes. I don't know if this exactly matches up because what I did on the interrogatory response is kind of laid it out on, you know, kind of a business unit view.

Q. Right.

A. Where on this exhibit it is not the same view. It is trying to call out a few categories of things. So the other may be a little bit different, but it is probably close.

MS. WILLIAMS: Could we get that as a late-filed also for this particular exhibit, a description of what is included in "other"?

MR. BUTLER: That's fine. Either as part of 1 or as a separate 2?

MS. WILLIAMS: Let's go ahead and make it a separate 2 and we'll just call it 2009 Capital Variances to Budget Other as referenced in REB-22.

MR. BUTLER: And to be clear, we're talking about the 19 million, the year-to-date April variance?

MS. WILLIAMS: I think we're looking for the whole row of other, the -- no. No.

One second.

Can you include it for all of the columns in the late-filed?

MR. BUTLER: So basically it is row 11?

MS. WILLIAMS: Row 11, yes.

MR. BUTLER: Okay.

(Deposition Late-Filed Exhibit 2 will be marked for identification.)

MS. WILLIAMS: Thank you.

BY MS. WILLIAMS:

Q. And I think you mentioned this previously, that between Exhibit REB-22 and FP&L's response to South Florida's interrogatory number 279, that you list -- that the information that you provided varies somewhat because on the exhibit you are including capital projects, but in the response to the interrogatory you are including the information by business unit?

A. Yeah. And then the totals -- it is just a different view.

Q. Exactly. And I think what I want to try to do now is see if you could maybe walk me through Exhibit REB-22 and explain which business units correspond to the capital projects that are listed on lines 1 through 4 and 7 through 11 of -- I'm basically trying to reconcile the two exhibits with one another and see which business units, you know, where these capital projects fall within the business units.

A. Okay. Let's see if I can do this easily; otherwise, I will just provide that information on the late-filed.

The West County Project would be in the engineering and construction and project development, as would the solar. Nuclear uprates would be in nuclear. All other clauses are primarily going to be -- well, it is hard to say because there is a mixture of things there. There is some power gen for environmental clauses. There's going to maybe a little bit of conservation, which is distribution. So it is primarily power gen.

Line 7, other generation, is going to be a mix of nuclear and power gen, just lump those together. And you see line 8 is the combination of transmission and distribution. The AMI project on line 9 is customer service. Information Management Projects would be in the other, as with the other. I think that is right.

Q. Are you sure about the Information

Management Projects being included in other, or will that be reflected in the late-filed that you're going to provide?

A. I am pretty sure it is other. Is there a different category that you think it should be in?

Q. I don't know.

A. That's right. I am pretty sure it is.

Q. Okay. Thanks.

Now, what MFR schedules and FERC accounts did FP&L use for the approved capital expenditures and proposed reductions?

A. I don't follow the question here.

MR. BUTLER: First of all, the "proposed reductions," what are you referring to?

MS. WILLIAMS: We're referring to the 469 million proposed reduction. Hold on one second. Let me find it.

THE WITNESS: Are you talking about REB-16?

MS. WILLIAMS: Yes, that's the one I'm referring to. Sorry.

THE WITNESS: Yeah, REB-16 -- well, the 469 never got into any of the MFRs because the 2790 is what got reflected in the MFRs.

BY MS. WILLIAMS:

Q. Let me try to rephrase the question. Were the approved capital expenditures shown as additions for 2009 through 2011 in the MFRs?

A. Define what you mean by "additions."

Q. Plant additions.

A. It would depend on their inservice dates.

MR. BUTLER: All right. Can we go off the record for a moment to see if we can understand?

MS. WILLIAMS: Yes, we can. Hold on one second.

(Discussion off the record.)

MS. WILLIAMS: Let's go back on the record.

Could we get you to provide a late-filed exhibit of where the capital expenditures would have fallen within the MFRs?

MR. BUTLER: And which capital expenditures are you referring to, the 469 million that was on -- you know, the difference between the proposed and the approved budget for 2009 on REB-16?

MS. WILLIAMS: No. We want the 2,790 total, all of those.

THE WITNESS: But that's the approved budget that is reflected in the MFRs and already functionalized. I mean, that's in there. The MFRs show that.

MS. WILLIAMS: But we wanted to see if we could get them, get you to provide it to us by FERC account.

One second.

But you are saying that you don't do them by FERC account, you don't organize them that way?

MR. BUTLER: I'm sorry. Could you repeat that, Anna?

MS. WILLIAMS: I think you said previously, though, that FP&L does not do them by FERC account?

THE WITNESS: Doesn't do the budgeting. You know, we end up functionalizing rate base and other elements of the test year by FERC account.

But you are looking for, just to be sure we're talking about the figures. On, you know, $2,790 million approved 2009 budget, those capital expenditures, where would the capital expenditures, what FERC accounts they would show up in?

MS. WILLIAMS: Yes.

MR. BUTLER: The additions, is that what you are looking to get?

MS. WILLIAMS: Yes, that's what we were looking for.

THE WITNESS: Keep in mind the 2790 is not additions, right? Those are cap ex. And so they go into CWIP, and then as they go into service they go into plant. That's the number, the 2790, that is in the filing functionalized where, you know, it needs to be in the MFR.

But, you know, the distinction that you are drawing here, just to be sure it is clear, is that these are expenditures of 2009. If they don't close the plant in 2009, but did in some later year, you know, they stay in CWIP until they close the plant, and so you wouldn't necessarily see them as capital additions in 2009. Some you would and some you wouldn't.

//

BY MS. WILLIAMS:

Q. That's what we want to see is which are included in CWIP and which are plant additions, if you could break that out for us and show us the differences.

A. I guess I'm just still a little unclear as to what's, how that's different than what's reflected in the MFRs where all of these expenditures go into CWIP, closed plant, or major projects on certain dates and for minor projects kind of as they're spent. I'm not sure what I would do that is not already reflected in the MFRs.

Q. All right. We might try to come back to that in a little bit.

Referring to Exhibit REB-22 again --

A. Back in the rebuttal, right?

Q. Yes.

A. Okay.

Q. If you look down in the Notes section, paragraph 3, can you explain in detail what you mean by "Primarily timing within 2009" as is stated in that Notes section?

A. Sure. Basically that refers to the, lines 3 and 4, the nuclear uprates and the all other clauses. It just really has to do with the timing of the cash flows within the year, that there were some, particularly on the nuclear uprates, I believe there were some large vendor payments that had been budgeted to happen by April that didn't happen because certain milestones were not reached, but they would be reached, you know, within 2009. So it is just timing within 2009.

And as you just follow across, for instance, line 4, we would project that on net the nuclear uprates to be 7 million better than budget at yearend. So 52 better in April, or year-to-date April, 44 of that turning around over the balance of the year, and then a yearend projected variance of 7 million better than budget.

So it really just has to do with the timing of the execution of these projects, as with all the other ones that I've mentioned that relate to timing. That's what it means.

Q. Okay. Thank you. I would now like to refer to FP&L's response to South Florida Hospital's interrogatory numbers 253 through 255 and POD 71.

A. Okay.

Q. Did you review the responses FP&L provided to these interrogatories numbers 253, 254, 255, and POD 71 as it relates to the testimony of

FP&L's witness James Keener?

A. Reviewed prior to filing or reviewed since?

MR. BUTLER: Reviewed for the deposition you mean?

BY MS. WILLIAMS:

Q. Yes.

A. Yes.

Q. For interrogatory number 253, in the response it shows four delayed projects due to the economic downturn, those are listed 1 through 4, Norris-Volusia, Princeton, Bobwhite. Do you see those listed there?

A. Yes.

Q. Could you provide the inservice date for each of these projects?

A. Could I provide the inservice date?

Q. Yes.

A. I don't have them. I would have to probably defer to witness Sonnelitter.

I do want to point out that in reviewing these it appears that two of these four, the delay was already reflected in the filing, number 1 and number 2, the Norris-Volusia and the Princeton, the best I can ascertain.

I mean, the MFRs that were filed that had the capital budgets already reflected the delay of those two projects, project 3 and 4, the Bobwhite-Manatee and the, I think it is Pellicer. I don't know how to pronounce it, but --

Q. Neither do I.

A. -- those two delayed subsequent to --

Q. -- the filing.

A. I don't think the answer was necessarily all that clear, but that's what I have been able to discern.

Q. Okay. Thank you.

Now I'd like to refer --

MR. BUTLER: Just to recap, was there a to-do for me on that?

MS. WILLIAMS: No, sir. You are off the hook.

BY MS. WILLIAMS:

Q. Now looking at POD number 71, I would like to talk to you about some project deferrals. On POD 71 there is a chart. It's titled DAP New Substation Five-Year Siting Plan. Do you see that?

A. Hold on just a second. I'm trying to find it.

Q. Okay. Just let me know when you are

there.

According to this chart, for 2011 there are capital expenditures deferred from 2010 for three substations, Yankee, Memphis, and Angler. Could you explain why those projects were deferred?

A. No.

Q. Would there be proposed adjustments based on those deferrals?

A. I don't know why they were deferred or what the impact of the deferral is.

Q. Do you know who could better answer that question or could you provide a late-filed with the specifics of why those projects were deferred and what impact it would have, what adjustments would be made?

A. Let me confer just a moment to see what would be the best way to answer this for you.

Q. Okay. Thanks.

MR. BUTLER: Anna, if you can specify the particular items that you are looking for us to follow up, I think it may be most productive all around for us to give you a late-filed exhibit on that.

MS. WILLIAMS: Okay. Well, there are about, I had a line of questioning about six different deferrals, which were the Yankee, Memphis, Angler, Pacetti, FAU, and Pelican, and for all six of those projects --

THE WITNESS: I think I'm better off just tackling that as a late-filed.

MS. WILLIAMS: Yeah, I think so too. So rather than go through each question, maybe I could describe to you what we would like to see in a late-filed, if that would work for you.

MR. BUTLER: Well, let's do that and we'll just see. I mean, we obviously have very little time here, so -- you know, we've got competing considerations of thoroughness versus feasibility for getting it by Friday to you. So let's see what we have got. But, yeah, I think that may be the most productive.

THE WITNESS: Can we tick through the six again just to make sure?

MS. WILLIAMS: Yankee, Memphis, Angler, Pacetti, and the Monet Expansion, FAU, and Pelican.

THE WITNESS: You said one was the Monet, the Monet expansion?

MS. WILLIAMS: M-O-N-E-T. In 2012. It

was deferred from 2010.

THE WITNESS: The expansion, Monet?

MS. WILLIAMS: Yes.

And what I would like to know about all of those is for 2010 could you provide the adjustments to plant, depreciation expense, accumulated depreciation, and CWIP? Like which of those projects were included in CWIP? And, if so, how much was included in CWIP.

THE WITNESS: Okay.

MS. WILLIAMS: Is that okay? And could that be late-filed Exhibit Number 3?

(Deposition Late-Filed Exhibit 3 will be marked for identification.)

MR. BUTLER: I think that's right.

MS. WILLIAMS: We could title that Deferred -- let's call that 2010 Deferred Projects as late-filed 3.

THE WITNESS: I'm sorry to be dense on this, but you said Pelican, right?

MS. WILLIAMS: Yes.

THE WITNESS: And the one I see on this page shows up in 2014, and it says deferred from 2011. That's the one?

MS. WILLIAMS: Yes.

MR. BUTLER: Obviously that would not be a 2010 deferred project.

THE WITNESS: Right. That's why I was asking about it.

MS. WILLIAMS: We can just title it 2010-2011 Deferred Projects.

MR. BUTLER: Okay.

MS. WILLIAMS: I'm almost done. I only have a few more questions.

BY MS. WILLIAMS:

Q. If you could turn to FP&L's response to FIPUG's second set of interrogatories, number 9.

A. Okay.

Q. Attachment 1. I will be referring to page 2 of attachment 1.

A. Okay.

Q. Now, this attachment shows for Bobwhite-Manatee 230KV line inservice date of December 2011. And the DAP new substation five-year siting plan, to which we were previously referring, shows the inservice date of 2013 for Bobwhite TLSA-23KV. Could you explain the relationship between those two sites?

A. I don't know. What was the document you referred to?

Q. I am referring to the attachment to FP&L's response to FIPUG's second set of interrogatories, number 9, page 2 of 2. And then I went back and was referring to the --

A. Number 254.

Q. -- POD 71. Right. That chart titled DAP New Substation Five-Year Siting Plan.

A. I got it. I just didn't recognize the title. Sorry.

Q. That's okay.

A. So we're looking at Bobwhite-Manatee.

Q. It says BI number 325.

A. Uh-huh. Yeah, I see it. It is December 11. Yeah, I think I -- and I'm seeing where you are on the POD. I think it's where it says 12-1-13?

Q. Yes.

A. You just want to know if that's the same project?

Q. Yes. I think we're just trying to determine what the relationship is between those two. Are they the same? Are they related?

A. Yeah, I think I would like to defer to witness Sonnelitter on that one, Pam Sonnelitter, the witness who will be adopting the testimony of Mr. Keener.

Q. Can you spell the Sonnelitter name for me, please.

A. Sure. It is, Pamela is the first name, and then Sonnelitter is S-O-N-N-E-L-I-T-T-E-R.

Q. Who is adopting Keener's testimony. Okay.

MR. BUTLER: That was the one we brought up at the prehearing conference the other day.

MS. WILLIAMS: Right.

BY MS. WILLIAMS:

Q. Could I get you to turn now to Kim Ousdahl's Exhibit KO-16?

A. Okay. Hang on one second, if you don't mind me reshuffling my papers.

Q. Take your time.

A. Okay.

Q. Could you please identify any adjustments to capital expenditures that have been included in Kim Ousdahl's rebuttal testimony in this exhibit by FERC account.

A. One that comes to mind is the DOE settlement, which I refer to in my rebuttal testimony. Let me see what item that is.

Q. Is that item number 4?

A. Yes.

Q. Are there any others of which you are aware?

A. Let me take a quick glance.

No. I believe that is the only one that affects cap ex.

Q. Okay. Thank you. One second. I just want to look and see if I have any additional questions.

Mr. Barrett, I just have a couple general questions that I want to end with, if that's okay?

Since you filed your direct testimony in this case, are you aware if FP&L has taken any actions or had any discussions concerning staffing issues in response to the economic downturn that are not discussed in your direct testimony?

A. Not that I am aware of.

Q. Since the filing of your direct testimony have there been any discussions within FP&L or FP&L Group concerning layoffs or downsizing its workforce in 2009 or 2010?

A. No, not that I'm aware of.

Q. So you are not aware of any plans by FP&L or FP&L Group to decrease the workforce in

Florida in 2009 or 2010?
A. No.
Q. And since the filing of your direct testimony have there been any discussions within FP&L or FP&L Group concerning any reorganization within FP&L or FP&L Group?
A. By "reorganization," clarify that, if you would, please.
Q. I'm referring to any kind of reorganization that would have an impact on the workforce.
A. On the FPL workforce?
Q. On the makeup of the FP&L workforce, yes, the composition or the --
A. Not that I'm aware of.
Q. Okay.
MS. WILLIAMS: Thank you. That's all the questions that I have. Thank you for being patient.
MR. MOYLE: This is Jon Moyle. I have some questions. John Butler, I'd defer to you as to whether you want to plow ahead or whether the witness needs a break. We've been going for an hour.
MR. BUTLER: We're okay. Let's see how

we make progress, if we do. If we don't, maybe we'll take a break in a little while.

MS. WILLIAMS: John, did you already fax that to me, the oath?

MR. BUTLER: The oath? Well, let me double-check that it's happened. I mean, I have not personally done it, but I expect it would have.

MS. WILLIAMS: Okay. I'm going to go check too. Thanks. Sorry for interrupting.

MR. BUTLER: Let's just take a two-minute break. I'll check on that, and then we'll be right back. Okay?

MS. WILLIAMS: Okay. Great.

MR. MOYLE: Let's just take five minutes real quick and we'll gather back up.

MR. BUTLER: Okay.

MS. WILLIAMS: Okay. Thank you.

(Brief recess.)

CROSS EXAMINATION

BY MR. MOYLE:

Q. Mr. Barrett, good morning. I'm Jon Moyle. I represent the Florida Industrial Power Users Group. We're an intervenor in this case. I have a few questions for you.

A. Okay.
Q. You have been with Florida Power & Light since 1982; is that correct?
A. Yes.
Q. How many rate cases has Florida Power & Light had since 1982, if you know?
A. How do we define a rate case? I mean, we had the, I guess the '83/'84 rate case. We've had various other cases that, at the various stages of development, but '85 I think was the last actual fully litigated base rate increase that, you know, went all the way through the process, if you will.
Q. So 1985 was the last one where it went all the way through. You had a settlement in the '90s, I guess. How many have you had where you filed MFRs, if you know?
A. I don't know.
Q. I presume you are contemplating it?
A. Oh, no. I said I don't know.
Q. Oh, you don't know?
A. I'm sorry.
Q. Okay. I didn't hear you. Sorry about that.
A. I apologize.
Q. We're by phone, so you will just have to

speak up. We would have been waiting a while.
A. I wasn't trying to wait you out there. I don't know the answer.
Q. All right. And who are you currently employed by?
A. Florida Power & Light.
Q. Okay. When were you last employed by NextEra?
A. I accepted a position with Florida Power & Light I believe it was April of '07. So it would have been, you know, at that point in time I was last employed by FPL Energy at the time, now NextEra.
Q. What was your position with FPL Energy or NextEra that you last held?
A. Vice president of business development.
Q. And then you were VP of business development. And what position did you take that made you move from that position?
A. Vice president of finance for Florida Power & Light.
Q. Did you change offices when you took that new job?
A. Physical location?
Q. Yes.

A. Yes.
Q. Are the offices in separate buildings?
A. Yes.
Q. Okay. Page 4 of your testimony.
A. The direct testimony?
Q. Yes.
A. Okay.
Q. You list a number of drivers in that, and I know later in your testimony you have a chart that associates some dollar figures with those. Would I be correct in assuming that if you were to rank the significance of those drivers in terms of impact on the company, that the ranking would correspond to the numbers in the charts later in your testimony?
A. I would only be willing to say that the numbers reflect our quantification of the dollar impact, not --
Q. And would you agree that the dollar impact is probably the most significant factor to the company?
A. It certainly is a significant factor.
Q. How much is FPL seeking to increase its proposed revenue base by?
A. What do you mean by "revenue base"?

Q. I'm sorry. Base revenue increase.
A. Well, as I have in my direct testimony on lines 4 through 10, it's 1 billion 044, and that has been supplemented, if you will, with Witness Ousdahl's rebuttal, Exhibit KO-16, which reduced it by I think it was $61 million. I think it was 983, 984, or something like that.
Q. Okay. And on line 5 you say 1,044 million. I guess you can say it in millions or you can say it 1.04 billion; is that right?
A. Correct.
Q. Why did you use the 1,044 million?
A. Because as I start to break out all the drivers, everything is in millions, so just to not confuse things I thought it would be better to be dividing up a 1044 number into its subcomponents, rather than dealing in decimals of billions for all the components.
Q. Okay. I was curious as to that.
Now, if you factor in the amount of money that FP&L is seeking associated with the GBRA, would it be true that the ask of FPL is closer to $1.5 billion in this proceeding?
A. Hang on one second. I believe that, subject to check on the actual math, that is roughly

approximate once the GBRA is fully, you know, implemented.

Q. Okay.

A. You know, West County 3 is proposed to go in mid of 2011, so, you know, the number in 2011 is only a portion of the GBRA increase. So it all depends on your point of reference.

Q. On page 4, line 14, you used the term "revenue deficiency," "FPL's 2011 revenue deficiency"?

A. Yes.

Q. Tell me your understanding of your use of the term "revenue deficiency."

A. Essentially it is the revenue requirement minus the forecasted revenues. So the difference being deficient to be made fully whole to the revenue requirement.

Q. Does that assume that you get to a break-even point or does it assume a return on equity?

A. The revenue requirement includes an appropriate return on equity which we have proposed as 12.5 percent, so --

Q. Okay. So when you talk about the revenue deficiency in your testimony embedded in that is a return on equity of 12.5 percent; is that correct?

A. Yes.

MR. BUTLER: Did somebody just join?

MR. POUCHER: Yes, Earl Poucher from Public Counsel's Office.

BY MR. MOYLE:

Q. When you were preparing your testimony or analyzing the forecast, did you consider, do any charts, do any analysis in which you looked at a return on equity less than 12.5?

A. No. I mean, our forecast assumed what we are asking for, the 12.5.

Q. So you didn't do any adjustments or variations on that, correct?

A. No. Correct.

Q. Part of your exhibit, it is the one I think staff asked you some questions about, REB-16, the capital expenditure reductions, could I direct your attention to that briefly?

A. Okay.

Q. Now, what is this document showing?

A. In essence it is explaining the actions that we took in 2008 in response to what we saw as a deteriorating economic situation, the most pronounced feature of which was a basically no growth or very little growth in our customer load basis.

So the first set of columns on the left side there reflect the original 2008 budget and the actions that we took to reduce that resulting in about a $530 million decrease.

And then the right set of columns, which we talked about earlier with staff, was the early look at 2009 and then the final approved budget reflecting a reduction of 469 from what the business unit's first view of 2009 would have been.

So the intent of the exhibit really is to show how we manage our expectations of capital expenditure outlays based on our evolving view of the deteriorating economic situation.

Q. And am I correct in that these numbers are those of FP&L Group?

A. No. These are Florida Power & Light.

Q. The thing at the top that says: Excludes New England Division, why was that put on the exhibit?

A. Just for completeness because these numbers do not include the capital expenditures related to the New England Division, because it is, you know, jurisdictionally adjusted out.

Q. Does the nuclear piece include any nuclear expenditures related to nuclear assets managed by NextEra?

A. No, sir.

MR. BUTLER: Jon, for clarification, what that is referring to is this NED, the substation facilities that Ms. Ousdahl addresses in her testimony.

MR. MOYLE: Does it exclude the New England Division, John?

MR. BUTLER: Yeah, the New England Division of FPL. It is actually specifically connected with a substation at the Seabrook, or near the Seabrook plant, and that's really, that's what that title is intended to be referring to.

MR. MOYLE: Okay. And maybe I can just get the witness to confirm.

BY MR. MOYLE:

Q. FP&L, the regulated utility, does not have assets outside of Florida, does it?

A. We do own a portion of the Scherer Coal Plant in Georgia, but it serves retail customers here in Florida.

Q. In Florida.
A. But other than that, you are correct.
Q. Okay. I found this to be a helpful exhibit. Did you prepare or do you have a similar exhibit that might reflect the going-in budgets that you testify about all the business units prepare business plans and budgets and they go through a review process? Do you have an exhibit that shows what the going-in number of these business units were as compared to the coming-out number? Do you follow my question?
A. Well, let me just ask a couple of clarifications. We're referring to 2009, correct?
Q. Yes. In your testimony I think on page 5 you talk about this review committee.
A. Right.
Q. Yes.
A. So for 2009 what I have attempted to show here on Exhibit 16 is that the 2009 proposed budget, I would characterize that as equivalent to your characterization of kind of a going-in number, if you will.
Q. Okay.
A. And that was really just shown here -- I mean, it is a process we do every year, but it was

shown here to really highlight the fact that as we moved through the process and the economy continued to deteriorate, we appropriately reduced those requests to be in line with what we ultimately expected '09 to look like.

Q. Have you done something similar for '010 and '011 in terms of the budgeting process?

A. No.

Q. But the '010 and '011 budgets, don't they go through that process where the review committee looks at them?

A. Yes. And the '010 and the '011 approved forecasts reflect kind of our similar view of the economy that ended up being reflected in this 2009 approved budget column. They were all consistent.

Q. And what I was trying to do is to get an understanding as to the, how rigorous this review process is.

A. Uh-huh.

Q. So you don't know in terms of like, say, 2010 what the cumulative budget number was of all the business units going into this process and then what that number was coming out of the process; is that correct?

A. Correct.

Q. And the same question with respect to 2011?

A. I guess what I would answer is I have not prepared a schedule that looks like REB-16 that reflects the information that you are looking for.

Q. And I was just asking, do you know, you know, have any information about a compare and contrast between the budget forecast prepared for 2010 or 2011 that would reflect a going-in number as compared to a coming-out number of the review process?

A. I don't have it with me here in the room. I could look to see if that is something I do have.

MR. MOYLE: John, do you want to provide that as a late-filed exhibit if he has it?

MR. BUTLER: Okay. Let me confer here just briefly and I'll be right back to you.

(Brief pause off the record.)

MR. BUTLER: Jon, we can do something. I don't know that it is going to be at the same level of specificity because obviously we don't have a lot of time to prepare this, but I think we can provide something that will be addressing your issue about the going-in versus coming-out positions on capital expenditure budgets for 2010 and 2011.

MR. MOYLE: Okay. Thank you. John, the review committee, they look at more issues than capital expenditure. I think they look at O&M and other. I mean, it is kind of a complete budget look, isn't it?

THE WITNESS: Yes.

BY MR. MOYLE:

Q. Okay. And you have been involved with this review committee for a number of years?

A. Two years I have been in this position.

Q. Have you seen in the two years, has the review committee typically trimmed budget requests that come to it or just kind of approved as submitted or increased it?

A. I would say, generally speaking, probably trimmed, but there is going to be probably some give and take across the business units. For instance, there may be a situation where it is determined that more resources need to be deployed to a specific business unit and less in another business unit depending on the business needs.

Part of the review process is to look

kind of wholistically at the business and the challenges being faced by the business.

Q. I appreciate that. In part of your filing I guess you have submitted budget information, projected information for 2010 and 2011, correct?

A. Yes.

Q. And as we sit here today, you can't give me -- I mean, a lot of state agencies or local governments have gone through budget trimming processes or budget cutting processes where they say we have to do more with less, and they have effectuated percentage changes on their projected budgets.

You don't have any information as to whether FP&L has done something similar specifically as it relates to 2010 or 2011 projected budgets, correct?

A. Correct.

Q. You have familiarity with forecasts, correct?

A. Yes.

Q. You would agree with me, would you not, that forecasts that are done closer to a particular point in time, all other things being equal, typically are more reliable than forecasts done for a later point in time, correct?

A. With the caveat that all things are never equal, I would say generally that is probably true.

Q. Right. And so if you were going to make a forecast for something happening in 2015, you would rather have data from 2014 that reflected all of the things you'd consider as compared to 2010, correct?

A. I think that's generally true. However, I do want to say that I believe the important thing is that the assumptions be reasonable and be balanced such that -- you know, you're always going to have deviations from the forecast, but to the extent it is a forecast that is, you know, for lack of a better metaphor, kind of down the middle of the fairway, your deviations up or down, you know, hopefully largely offset.

Q. And I'll stick with your fairway analogy.

A. I'm not in the fairway often, so be careful. My wife would attest to that.

Q. But if you are playing the third hole and you are up on the green of the third hole, it is easier to look forward and see what the tee box of the fourth hole looks like as compared to the tee box of the 17th hole, correct?

A. I guess it depends on where that tee box is, but I'll go with your analogy here.

Q. And following that line of thought, wouldn't it also follow that the projections for 2010 are more reliable than the projections for 2011?

A. I don't think that I would characterize it as more reliable simply because of what I said earlier, which is that if you are using balanced assumptions and a rigorous process then typically you're going to find things that kind of go up and down and they're going to somewhat offset. So, you know, I feel like our 2010 and our 2011 forecasts are both reliable.

Q. Okay. Now, to dig in a little bit further, with respect to degrees of comfort or reliability, wouldn't you have more comfort in 2010 as compared to 2011, all other things being equal, because it is at a point in time, 2010 is at a point in time closer to today than 2011?

A. I wouldn't agree with that just, you know, carte blanche. I mean, I think that typically, you know, as I said, you pick assumptions that are balanced, that have, you know, equal likelihood, if you will, of being up or down, and so, you know, I think 2011 is reliable, as I think 2010 is reliable.

Q. Do you think you could have done a reliable forecast for 2015 and that have the same reliability as a 2010 or a 2011 forecast?

A. I think obviously the further out you go it becomes more challenging, but I don't think, you know, the difference between 2010 and 2011 are so great as compared to your analogy of 2015 to draw that same distinction.

Q. Let me refer you to page 6 of your testimony on line 11.

A. Okay.

Q. You are talking about a subsequent year adjustment and you say: "Given the significant time and financial resource commitments involved in fully litigated base rate proceedings, the Commission, the Company, and other stakeholders would benefit by minimizing the frequency of these costly proceedings."

Does FP&L seek to avoid rate cases?

A. I think we seek to make sure that our prices are low and that our shareholders are adequately compensated. And to the extent we can avoid a rate case in doing that, by managing the business effectively, I think that that is always desirable, as evidenced by our, you know, avoiding rate cases, per se, and entering in settlement agreements in the past.

I think we believe it benefits all parties, not the least of which is the Commission, to avoid those lengthy procedures.

Q. But you would agree rate cases are a key component or key element of the regulatory process, correct?

A. They are a key component. I think an equally key component is the Commission surveillance process, where on a monthly basis they're taking a look at our profitability and determining whether it is appropriate. And that's a lot more frequent and realtime, if you will.

Q. And in the rate case, you are aware that Public Counsel has filed testimony and taken a position that the FP&L rates should go down, not up, correct?

A. I'm aware that is their position.

Q. Okay. You have some testimony about the

GBRA in your filing, and would you agree that a GBRA is a mechanism that if it continues it also works to avoid rate cases?

A. In our view it minimizes the likelihood of having to file a rate case.

Q. And so the Commission has this process where they like the witnesses to answer yes or no. I presume from that answer that you would agree that a GBRA would work to make it less likely that a rate case would need to be filed, correct?

A. Yeah. I would answer that correct, yes. I don't think that's the way the question was phrased the first time.

Q. Do you believe that the GBRA mechanism is a good regulatory device?

A. Yes.

Q. Do you believe that FP&L should be the only utility to benefit from that, from the GBRA mechanism?

A. I don't know anything about the other utilities, but I believe we've demonstrated that it works well -- has worked well for FPL and should continue. So I guess, you know, no, I don't necessarily believe we should be the only one. It is an effective mechanism and it should be effective for all.

Q. In your testimony you have indicated that the GBRA allows consumers to test the actual cost of the plant that is approved pursuant to the need determination. How do you see consumers contesting those costs?

A. My understanding is that through the need determination process that the, that is a process that parties have the ability to be a part of and that's where the cost of the particular generating facility is determined to either be, you know, the least cost or not.

Q. And then when you do an actual what did it cost, those are based on projected numbers in the need determination, correct?

A. The actual what did it cost?

MR. BUTLER: What are you referring to by that, Jon?

MR. MOYLE: I'm trying to ask the witness where ultimately he would see the GBRA cost being determined.

THE WITNESS: Ultimately, I believe, and, you know, I have not been involved in the specifics of it, but as I understand it, we make a filing with the Commission as to the final actual inservice cost of the facility. And to the extent it is lower than the cost that was estimated in the need determination, then there is a true-up mechanism that would protect the customers. To the extent the costs were greater than, then we would have the burden of having to seek recovery of the excess.

So it is kind of an automatic true-up on the customer side if we come in lower than cost, than the need determinations projected costs, but an option for us to seek recovery of any excess costs.

BY MR. MOYLE:

Q. And you would agree that generation capital expenditure is one of the more significant items in running a utility, correct?

A. It is a significant, yes, it is a significant expenditure.

Q. And to the extent that the Commission decided to have those costs determined in a separate proceeding where that was the focus, that wouldn't cause you concern, would it?

A. As I understand it, that's sort of what the need determination process does. They look at that specific unit and the specific costs, and then in the filing, after it goes into service, again, review the costs, and to the extent they were lower, there is this true-up.

Q. And I'm specifically referring to the subsequent filing. You know, given the costs involved of that subsequent filing, you don't see any problem if the Commission desired to do that in a separate docket, do you?

A. I believe the Commission can do whatever it chooses to do. I think all the information is filed with them for them to make that determination.

Q. Right. But would you have any objection to it being done on a separate docket?

A. Not really. I mean, if that's what the Commission thinks is required for them to approve it.

Q. Okay. And, again, I'm just trying to get the viewpoint from FP&L. But you told me "not really," correct?

A. Correct.

Q. A couple of other points. I know we're trying to be sensitive on time here, but on page 12 of your testimony you refer to jurisdictional separation factors, and I was going to ask you what you were referring to.

A. Where are we on page 12?

Q. Line 13.

A. That's where the financial statements go into this cost of service system, which develops the separation factors, which divide it up into retail and non-retail jurisdiction so that we can only assign the retail costs to the retail customer.

Q. Have you provided information specifically as to how those costs are divided?

A. Joe Ender is the one -- witness Joe Ender is the one that handles the cost of service for FPL. He's a witness in this case.

Q. Are you confident that the filing you have made excludes all non-retail transactions?

A. Yes, with the correction made in KO-16 for transmission service function. Yeah, with that one exception, I do have confidence that everything else has been done correctly.

Q. Okay. Do you have any changes to your testimony or corrections, or any of your exhibits, as we sit here today?

MR. BUTLER: Jon, we're going to be filing, targeted at the end of the day today per the prehearing conference, the errata for, you know, Mr. Barrett as well as others. I think it would be more productive to get that rather than have him try to run through them, unless he just has them off the top of his head.

BY MR. MOYLE:

Q. Okay. Let's do it this way: Do you have any substantive changes, that you would consider substantive changes to your testimony as compared to sort of technical changes that don't change the substance of your testimony in a meaningful way?

A. I guess there is only one that would be considered maybe substantive, and, again, that's kind of a sliding scale. And it's on Exhibit REB-22 in my rebuttal.

Q. Yes, sir.

A. And on line 20 in the footnote there regarding -- well, I'll wait until you get there.

Q. I'm there.

A. Okay. Where it references the 22 million recovery pursuant to the DOE settlement, the number really should be 28. And I think in the text of the testimony as well it refers to that same item, and that would be changed as well to 28.

Q. So it is a $6 million increase on that?
A. Yes.
Q. A couple of other lines of inquiry. In your testimony, what did you assume as an inflation factor for 2010 and 2011?
A. I believe it was the subject of witness Morley's testimony and it was 2 percent in each of those years.
Q. Do you track recent reports on inflation that may be issued by the Federal Reserve or other entities?
A. From time to time. Not specifically.
Q. Are you aware if the Federal Reserve recently met and issued some inflation forecasts?
A. No, I'm not aware of that.
Q. If they did and those inflation forecasts were less than 2 percent, would you believe that would warrant an adjustment?
A. I think it would be a complicated thing to consider because without going through the whole budget process it is hard to just kind of do a topside adjustment for inflation because not everything is impacted the same way depending on the measure of inflation you are talking about, whether it be CPI, PPI, CPI core, you know, excluding energy

and food. So it is hard to sit here today and say that any adjustment would necessarily be required.

Q. Do you know if an adjustment, let's say a 1 percent adjustment on inflation, from 2 percent to 1 percent, were made, do you know what that would translate into approximately in terms of dollars?

A. No.

Q. A couple of questions about your testimony related to storm accrual. I think it is page 27 of your testimony.

A. Okay.

Q. Now, you-all are seeking additional monies for storm accrual, correct?

A. Correct.

Q. And why is that?

A. Well, as testified by witness Harris and also witness Pimentel, we believe it is an important component to the financial preparedness for storm recovery, much like, you know, buying insurance for items that are insurable. A portion of storm recovery we believe should be an annual expense as a normal cost of service, just like insurance costs would be.

Q. And don't you also have the ability in the event of a storm to come back in and seek relief from the Commission as was done after I think storms in '04 and '05?

A. Yes. And that's another key component of the proper recovery of storm-related expenses. However, there is -- the 150 million a year of storm accrual that we're seeking by no means is intended to replace the need to be able to come back in to the Commission for recovery of, you know, damages that are in excess of 150 million or even what may be sitting in the storm fund at the time.

The ability to come back in after the fact is an important component to make sure that we are fully recovering the costs, but we believe another important component is this annual accrual so that we can cover most events in most years. And to the extent we don't need to cover events in any year, build up a storm fund that provides liquidity to fund restoration activities when financial markets may be stressed.

I mean, in the fall of last year when credit markets were seized up, we are very fortunate that we didn't have any restoration events that we had to fund. It would have been difficult potentially to raise funds in that kind of environment.

Q. Right. And what you are referring to is a two- or three-week period last fall in which credit essentially was not available to certain companies that were below A rating; is that right?

A. I am not sure about the two- to three-week period that you are referring to. It sounds about right. But just thinking back on the '04 season, we had three hurricanes in six weeks.

Q. And what amount of lag time did you have from the storm events to your recovery through the Commission after-the-fact process?

A. I don't recall.

Q. It was not more than a year, was it?

A. I think that sounds about right, but I really don't recall. But we had to basically fund the restoration for that year period. We had to have sufficient liquidity so that that was not an issue in terms of being able to restore power.

Q. And Florida Power & Light has credit facilities available to it at 250 billion or in excess of 250 billion; is that correct?

A. No, not 250 billion.

Q. How much?

A. I think it is two-and-a-half billion.

Q. I'm sorry. Can that two-and-a-half

billion credit facility be looked to to fund storm expenses?

A. To the extent that it is not committed to backing up, for instance, our commercial paper program. You know, in some cases, if there are significant fuel under-recoveries, for instance, that are funded by commercial paper, then some of those credit lines are basically committed to guaranteeing that commercial paper. So it is not kind of an open line of credit, if you will, of two-and-a-half billion to be used for storms.

Q. Do you know what the most amount ever committed under that $2.5 billion credit facility has been?

A. No, I don't.

Q. Does FP&L have a policy or kind of a rule of thumb to try to leave certain room in that $2.5 billion credit facility in the advance of storm season?

A. I think that witness Pimentel is better able to answer that.

Q. Do you have any information on it?

A. No.

MR. BUTLER: Jon, how much more do you have?

MR. MOYLE: 15 minutes or so.

MR. BUTLER: And is there anyone else who has questions for Barrett?

MS. GRIFFITHS: I do.

MR. BUTLER: Well, just letting everybody know, and, Anna, I will let you know, I'm going to be e-mailing Lisa, but we're obviously going to have to postpone the start time for Ms. Ousdahl's deposition because, as I mentioned earlier, some of us involved here are also involved in that deposition.

MS. WILLIAMS: Right.

MS. GRIFFITHS: That's good. I'm involved in that one as well, so I appreciate the postponement.

MR. MOYLE: Yeah, I am as well, John. I'll try to get there.

BY MR. MOYLE:

Q. Mr. Barrett, would you agree given the $2.5 billion credit facility and the ability to recover storm impacts post-storm, that the storm accrual request can be reasonably portrayed as a belt-and-suspenders request?

A. No.

Q. Does FP&L, has FP&L ever sought recovery from FEMA for any expenses related to storms?
A. I don't know.
Q. Page 30.
A. Okay.
Q. You talk about -- I may not have the exact cite here, but in your testimony you talk about a pension expense, correct?
A. Yes.
Q. And you need to fund the pension expense because the returns have not been as projected?
A. I guess I wouldn't use the word "fund." But basically the way we recognize pension expense, the adverse performance of the fund in '08 has increased our pension expense.
Q. And how much has it increased it by?
A. I guess it depends on your point of reference. What I mentioned in my testimony here is it has gone up $20 million versus 2006 for the 2010 number. Like I said, I don't actually use that number in this testimony, but for the '06 to '010 period which I'm referencing on line 13, it equates to about $20 million.
Q. And when the pension fund earns more money than you need to make it actuarial sound, what

is done with those excess funds?

A. I think I would probably defer to witness Ousdahl on that as far as how the accounting works.

Q. You reference a 7.75 percent return. What does that figure represent?

A. That's the expected return on the assets in the pension fund.

Q. And is that an aggressive number or can you characterize that? I presume you're, because you've relied on testimony about the pension, you are involved with that in some way, correct?

A. I'm actually not involved in the pension, per se. I just used it in describing its impact on our rate request.

Q. Does the pension invest in Florida Power & Light stock, FPL Group, or FPL the regulated company?

A. I don't know what its investments are.

Q. You were asked just a couple of questions about the Bobwhite-Manatee facility, and I think there was a difference as to inservice dates. Is that essentially your understanding of the disparity that was pointed out by staff?

A. As I understood it, there was a -- well, first of all, we're going to provide a late-filed exhibit on this, but I think there was a delay that was cited. I don't know about a disparity.

Q. Okay. It wouldn't be a reasonable or prudent practice to move forward in your view, would it, with a capital expenditure if there was an appeal pending of approval to site a new transmission line, would it?

A. I'm not really understanding the question. Could you clarify what you mean by an appeal on a project?

Q. Sure. The Bobwhite-Manatee transmission line, it is my understanding that there is a pending appeal in that case, and I was wondering if you have any information as to whether that may be the cause for what I understood to be differing dates as to when that may come into service.

A. I'm not aware of the appeal that you are speaking of.

Q. And if there was an appeal, if I was correct, you would agree that spending money on something that is not a final done deal, if you will, from a regulatory standpoint, probably does not make a lot of sense?

A. I wouldn't agree with that statement

just on its face. I think it would have to be a reasonable expectation this project is going to go forward and the cash flows that would support that project and service would need to be considered.

MR. MOYLE: Okay. That's all I have. Thank you for your time.

THE WITNESS: Thank you.

CROSS EXAMINATION

BY MS. GRIFFITHS:

Q. Mr. Barrett, this is Meghan Griffiths on behalf of South Florida Hospital and Health Care Association. I have a few additional questions. Are you ready or do you need another break?

A. I am good.

Q. Okay. Could you please pull up FPL's response to SFHHA's first set of interrogatories, interrogatory number 15, and let me know when you're there.

A. I've got it.

Q. All right. This interrogatory asked you to provide an estimate of growth and revenues, number of customers, net profits or units of sales or service related to any period subsequent to December 31, 2009. And SS FPL provided an attachment to that interrogatory, attachment number

1, that I would like to ask you some questions about.

A. Okay.

Q. First, are you familiar with this interrogatory response?

A. Yes.

Q. Did you help prepare it?

A. Yes.

Q. Okay. Turning to attachment number 1, page 1, there are three separate datasets relating to three different budgets. Could you please explain to me the difference in the datasets?

And what I'm referring to specifically is the first dataset appears to refer to the 2009 rate case, the second dataset refers to the 2009 budget, and then the third dataset refers to the rating agency, the 2009 rating agency reports; and I would like you to explain the difference in these different datasets.

A. Okay. Well, first of all, the difference in the budget and the rate case really has to do with the, an update to the sales forecast that was made in January prior to our filing of the rate case that lowered our revenues from what was done in the budget, which was kind of in the

December timeframe of 2008. So that's really the difference between the budget and the rate case.

Q. So the rate case is, as you filed it in this rate case and the 2009 budget is what you originally had in your approved budget; is that accurate?

A. Yes.

Q. Okay.

A. And then in the rating agency, the main difference between that and -- or I think the only difference between that and the '09 and the -- well, the rate case for 2010 and 2011 has to do with the assumption of the full rate, the rate increase request being granted. So it reflects the full rate increase --

Q. So --

A. -- rating agency forecast.

Q. -- the rating agency operating -- and we're referring to the third dataset, correct?

A. Yes. The rate case forecast assumed no increase in base revenues as a result of the rate case. The rating agency assumed full recovery of the rate request.

Q. All right. And why do you title it rating agency?

A. It was prepared for use with discussions with the rating agencies that rate our bonds.
Q. Okay. So have you divulged this information to rating agencies that -- I'm sorry. Have you divulged this information to the rating agencies, the operating revenues, growth percent, based on this third dataset?
A. I don't know if we have divulged operating revenues, per se. That's something that was asked for in this interrogatory. It came from the same forecast that was used to present to the rating agency. So the interrogatory response pulled from that forecast, but gave the Hospital Association what they asked for.
Q. Okay. Did you report to rating agencies the information that, in the first two datasets, basically the, assuming that you do not receive your full rate request or your growth or income is based on your current actuals?
A. Just for clarification, are you asking if we provided the dataset that you are calling -- what you are calling the dataset labeled here 2009 Rate Case?
Q. Yes, that's correct.
A. I don't know if that was presented to

the rating agencies. I don't believe it was.

Q. All right. And what about the second dataset?

A. That was the second one. Is the 2009 budget being the first one?

Q. Yes. I'm sorry.

A. Yeah. We did not provide that one. We only provided the 2009 rating agency forecast.

Q. Okay. When do you create, or when did you create the 2009 rating agency forecast?

A. I don't know. It was in the spring of this year. I don't know the date.

Q. So it would have been created in '09?

A. Yes.

Q. Okay.

A. It would have been, yes, in '09.

Q. All right. And let me clarify, and I know you have gone over this a little bit, but just so I can make sure that I'm clear on the different assumptions in these first datasets, the first dataset is, let's see, you are assuming your rate case -- well, assuming the rate case is not approved, correct?

A. The one labeled 2009 Rate Case assumes that none of the requested revenues are granted.

Q. Okay. And then the second one assumes what?

A. Well, again, I thought that was the second one.

Q. I'm sorry if I'm not being clear. The first dataset I'm referring to is the one at the top of the page.

A. Okay. If we're going to say that is the first one, then let's just stipulate that 2009 rate case when used on this page means the first dataset.

Q. Understood.

A. It is as I described, then.

Q. Okay.

A. And then the second one I guess is what we're calling 2009 budget in the middle section?

Q. Yes.

A. And the difference between that one and the rate case is the, basically the sales forecasts, so the revenues.

Q. Okay.

A. The third one is this 2009 rating agency case, which is the full request granted.

Q. And just to clarify, the 2009 rating agency is the one that you report to the rating agencies, whereas you do not report the 2009 rate case or 2009 budget dataset to the rating agencies?

A. Correct. I mean, it was our most current forecast at the time that it was given to the rating agencies. It's not that we would have excluded these other ones for any other reason. The rating agency forecast was the most current at the time.

Q. Okay. Thank you.

A. You're welcome.

Q. Could you turn to page 23 and 24 of your direct testimony?

A. Okay.

Q. I would like to ask you about one of the drivers that you list --

A. Okay.

Q. -- in your direct testimony, and that particular driver is the depreciation changes that you refer to.

A. Okay.

Q. Is it correct that the company is no longer proposing to provide the $125 million annual depreciation credit that was agreed to in the 2005 settlement agreement?

A. Correct.

Q. And what is the rationale for that?

A. The rationale is that first of all that 125 million depreciation credit was part of the settlement agreement that was kind of in the mix with several other items that enabled us to avoid the rate increase that we needed in 2005.

Secondly, you know, we have filed a comprehensive depreciation study as part of this case that proposes what the appropriate rates for depreciation would be going forward. And so that is where it is handled.

Q. Was one of the reasons that the company was able to provide the $125 million depreciation credit in the settlement agreement because it had a significant surplus in its depreciation expense?

A. I was not part of the negotiations there, but I think it was determined that the 125 million for four years was something that could be handled.

Q. And what do you mean when you say "could be handled"?

A. I mean that we could absorb 125 million a year of credit, given where our theoretical surplus was at the time. And that knowing that it was, you know, a four-year period and, you know, when you combine it with the other factors that were part of the settlement agreement, it was part of the give and take that enabled us to reach a settlement.

Q. And it is true today that the company still has a significant theoretical surplus reserve for the depreciation expense; is that correct?

A. That's my understanding, yes.

Q. What is different today between 2005 when the company determined that it could provide that $125 million credit?

MR. BUTLER: Well, excuse me. You know, we have witnesses who testify to those differences at some length. If Mr. Barrett has some general information, that's fine, but this is really outside his area.

MS. GRIFFITHS: I'm asking Mr. Barrett about why this is a driver of the rate case. And he discussed it there, so I believe my questions are targeted to that. And I will try to not go outside his scope of knowledge.

BY MS. GRIFFITHS:

Q. But, Mr. Barrett, if you could answer that question, I would appreciate it.

A. Well, yeah, let me answer it within the scope of my testimony, which is it is a driver because the company has assumed 125 million is not there anymore, and so that's 125 million of that 266, plus the cumulative impact of having taken 125 million a year for four years makes up another 50 something, what did I say, 52 million on page 24.

So the discontinuation of that credit is a large part of this 266 that I have quantified there. That's really the extent of what I have tried to do here is to say part of the reason that we need 1 billion 044 is related to depreciation changes and, by the way, there are some things that have caused depreciation to equal this 266 million that I have quantified.

Q. It is not a driver because the theoretical reserve is not big enough to handle such a credit?

A. I missed the first part of that. I'm sorry.

Q. The depreciation changes that you refer to, when you said that they're a driver of the rate case, but the $125 million discontinuation of the credit, which comprises part of the $266 million total, that is not a driver because the theoretical reserve surplus is not sufficient enough to handle the continuation of such a credit; is that correct?

A. I am not really able to opine on that.

What I can say is it is a driver because we've assumed that the 125 credit is no longer there.

Q. It is just based on that assumption, it is not based on the assumption that the theoretical reserve would decrease to such an amount that it would be inappropriate to continue it; is that correct?

A. That's -- within the scope of my testimony, I'm not making any characterization of the 125 other than quantifying its impact.

Q. And then the other depreciation increases that you referenced are, let's see, the third one, the $89 million regarding increases related to the depreciation study, is that $89 million increase, is that driven by changes in service lines and things such as that?

A. I don't know all the specifics of what drives it. What I will tell you is that is the quantification of the increase to depreciation expense using the new proposed rates versus the current rates. I don't know why the new rates are what they are. We have witnesses that testify to that. But the difference in rates applied to the 2010 plant balances is an equivalent to an expense of about $89 million.

Q. Okay. And I just, again, I'm trying to find out why it is a driver, so I want to understand your knowledge of how depreciation affects the company's earnings.

If depreciation expense is increased because, for example, service lives are extended so the depreciation expense goes down, what impact would that have on the company's earnings?

A. Well, I guess in and of itself if depreciation expense goes down and earnings go up, unless there is a corresponding reduction in revenues, in which case it has no impact on earnings. It does have an impact on cash flow, which is a quality of earnings issue that I believe witness Pimentel has probably talked about. But, you know, depreciation going one direction or the other kind of depends on what happens with revenues as a result.

Q. Okay. And when you say it kind of depends on revenue, if you could just clarify that for me.

A. If you were to lower or raise depreciation and correspondingly raise or lower revenues, it would have no impact on earnings if they were equal and offsetting.

Q. Okay. Thank you. So basically the decrease in depreciation expense would have a corresponding decrease in the necessary revenue requirement and there would, therefore, be no impact on earnings; is that accurate?

A. In this case, because we are setting base rates, if it were determined by the Commission that the depreciation expense should be lower, then the revenue requirement associated with that would come down and it would have no impact on book earnings, but it would have an impact on operating cash flow.

Q. Understood. Thank you for clarifying that. Let me also ask you about another driver that you list on page 23, and that's the storm reserve accrual.

A. Yes.

Q. And could you explain, if you could, if the similar analogy that, a similar -- let me think of the word to describe it. You just said the depreciation expenses if lowered would not necessarily have an impact on earnings. Does that also apply to a decrease in the storm reserve accrual?

A. I will give you the same explanation

here that I used for depreciation. We are asking for an increase in revenues to cover an increase from zero to 150 million of storm reserve accrual. So it has no impact on our net income in the request. Similarly, if that number were to change and the revenues were correspondingly to change, it still would have no impact on earnings.

Q. Okay. It's essentially -- because you will get your recovery for that regardless?

A. I'm not sure I understand that.

MR. BUTLER: Recovery for what, Ms. Griffiths?

MS. GRIFFITHS: I'm sorry. I'm referring to the, in this example, the storm expense.

MR. BUTLER: You know, that's depends on future proceedings, doesn't it? I mean, are you talking about in this rate case?

MS. GRIFFITHS: I'm talking generally as a regulatory matter.

BY MS. GRIFFITHS:

Q. If you had a storm -- if you did not increase your storm reserve accrual to 150 million and there was a storm in Florida, you have, for example, the securitization statute that would allow you to recover your storm expenses that way.

A. I'm not necessarily familiar with how the securitization statute works, but any future recovery would be dependent upon the Commission's approval.

Q. Okay. Thank you for clarifying that. Let me skip to a different subject. Just a moment.

Could you turn to page 6 of your direct testimony?

A. Six?

Q. Yes, 6.

A. Okay.

Q. You were asked about lines 11 through 14 previously, and I just wanted to ask you a followup question, and this is regarding the rationale for your subsequent year adjustment. And one of the reasons that you provided for that adjustment was to avoid the significant time and financial resource commitments involved in a fully litigated base rate proceeding.

And I was wondering if you have provided in your filing a cost benefit analysis basically quantifying the benefits of not having a rate proceeding versus providing the 2011 subsequent test year adjustment in with your request.

A. I don't believe we've provided a cost benefit analysis.

Q. Has anybody?

A. I don't believe so, no.

Q. Has the company attempted to perform such an analysis?

A. Not to my knowledge.

Q. Would it even be possible?

A. That's a hard one off the top of my head. I don't know. You can certainly quantify the cost of a proceeding because we're going through it now.

Q. But to compare it to the offsetting benefits of not providing a rate case, the company is unable to do so?

A. I don't know.

Q. All right. Could you turn to page 7 of your direct testimony?

A. Okay.

Q. And on page 7 you refer to the generation base rate adjustment, the GBRA mechanism. Has the company provided a tariff that describes the GBRA?

A. I think that that's probably better answered by witness Deaton.

Q. Did you say "Deaton"?
A. Deaton, Renae Deaton.
Q. Well, if you know, does the company intend to provide such a tariff?
MR. BUTLER: Ms. Griffiths, I am pretty sure that there is a proposed tariff that is in the rebuttal testimony of Ms. Deaton.
MS. GRIFFITHS: Okay. Thank you for that clarification. I appreciate that.
BY MS. GRIFFITHS:
Q. Let's see. And now I'm skipping subjects again. Could you turn to page 18 of your direct testimony?
A. Okay.
Q. And on lines 11, I'm sorry, lines 12 through 15, you refer to University of Florida forecast populations.
A. Yes.
Q. What does the company use those forecasts for?
A. I believe that witness Morley has discussed this, but generally we use the population forecast to help us develop a customer forecast.
Q. And when you say "customer forecast," do you mean increases in population growth that would

impact low growth and so on?

A. No. I mean customer growth.

Q. Customer growth. Okay. And what is the customer growth used to forecast?

A. Again, this is described in a lot of detail and depth by witness Morley, but essentially we combine a customer forecast with a use per customer to develop a load or sales forecast.

Q. Okay. And is it accurate to say that the forecasts have been volatile?

A. I don't think volatile is the right terminology because it has not been moving up and down. It has been kind of moving in one direction, which has been down.

And I think the last forecast that the University of Florida put out was in March or April of this year and they have not revised one since then. So it is starting to settle down a little bit, but I don't think volatile is the right word.

Q. Okay. But how many did they issue in '09?

A. They have only issued one.

Q. And would that change your forecast for 2010 or 2011?

A. It is hard to answer that in a vacuum.

Are you talking about our customer forecasts?

Q. Yes.

A. I think that, you know, Dr. Morley is more appropriate to answer, you know, exactly the impact of that on our forecast.

Q. Do you know generally what it is?

A. The population forecast that came out in March or April of this year was lower than what was in November of last year, so -- or October of last year, so I am presuming that it would be lower.

Q. Could I refer you to Exhibit, let's see, REB-22.

A. Okay.

Q. Now, you described earlier an errata that you were going to be making and that you said was in reference to note 4, and you increased the expected recovery due to the DOE settlement, from 22 to 28?

A. Yes.

Q. Could you describe for me what impact, if any, that would have on your revenue requirement?

A. It has already been quantified in the KO-16 exhibit.

Q. And is that the 6 -- I think it is approximately $6 million. Does that ring a bell?

A. Hold on one second. Let me just look at that. Because there were two pieces, I think. Let me just check.

Actually, yeah, it's item number 4, and it is roughly $3 million in 2010 and $6 million in 2011.

Q. Okay. Just a moment. I'm shuffling my papers to get there as well.

Okay. So it is a $6.9 million?

A. But I just want to caution you, though, that this item on KO-16 involves more than just what I'm referring to here on REB-22, which is really just kind of '09 because there is also future period effects that are all incorporated in KO-16. But I was just addressing '09 cap ex on REB-22, so that's why there's going to be slightly different numbers on KO-16.

Q. Okay. I see. So your '09, and I just want to make sure I'm making an apples-to-apples comparison, at that footnote 4, which item number specifically are you referring to and is it limited to the impact on the 2010 retail revenue requirement versus the 2011?

A. Item number 4 or note number 4 is referring to an expected recovery from the DOE in

2009 that was not budgeted, and it will have an impact on 2010 and 2011, and they're already captured in KO-16, as well as things that happen beyond 2009.

Q. Okay. Now, I believe in the prior year, and this is if you know, the prior year --

MS. WILLIAMS: Can you repeat the beginning of that question? You got cut off.

THE COURT REPORTER: Have her repeat the whole question.

MS. WILLIAMS: Or the whole question. I'm sorry.

MS. GRIFFITHS: Okay. Sorry about that. Let me try again.

MR. BUTLER: It seemed like somebody just joined. Did somebody just join? Okay.

BY MS. GRIFFITHS:

Q. Okay. And I am asking you about the DOE settlement referred to on Exhibit KO-16, item number 4. And I have noticed that there was a difference in the amount that the company received related to the settlement for this anticipated in 2009 versus the amount that it received in 2008. If you know, what is the reason for the difference in the settlement amounts that it will receive?

A. Well, first of all, we didn't receive anything in 2008. We received certain dollars in 2009 related to periods prior to 2009. So is that what you are referring to?

Q. That helps clarify it for me, yes. But if you could --

A. And basically we had budgeted in 2009 to receive funds for those prior periods. So those basically don't have any impact because we had budgeted to receive funds and we did receive funds.

What does have an impact is we didn't budget receipt of any funds for activities in 2009 and beyond. So that's what KO-16 is now reflecting because the settlement was entered into, I believe, after the rate filing.

Q. And is there a difference in the amount that you budgeted in '09 versus the amount that you are now budgeting for subsequent years? And if so, why?

A. Let me just try to clarify this. The amount we budgeted in '09 related to periods prior to '09. What KO-16 is addressing is those things that are activities in '09 and beyond which were not budgeted. So they're apples and oranges.

Q. Understood. And just to make sure that

I'm not beating a dead horse here, I'm trying to clarify, is that the reason why there is a difference in the amount that, the amount that would be budgeted for '09 based on prior years versus subsequent years?

A. Yes, because they're different periods.

Q. And the settlement amounts are subject to vary based on the years?

A. Are subject to what?

Q. The vary, to vary.

A. Basically the way that it works is we spend the money on certain activities that are under the settlement agreement reimbursable by the DOE. So it depends on what we have planned to spend on those activities that we would then get reimbursement for, and KO-16 goes through that quantification.

Q. Okay. All right. Thank you for that clarification.

And I have some additional. Back to Exhibit REB-22.

A. Okay.

Q. The projected yearend variance that you have listed on line 7 for other generation, it looks like you're going to be about $18 million better off

than you budgeted. What is that attributable to?
A. Well, the largest item in there, and this is one of those where, as I mentioned, my errata for this particular exhibit is going to change the footnote 4 to say 28 million instead of 22. So, in essence, there is, that 18 is going to have a favorable variance of 28 from this DOE settlement and about 10 million of unfavorable variances in other projects that would be then projected to be worse than budget.
Q. Is your errata going to show all of the variances that would occur on REB-22?
A. The only thing I'm going to show in my errata is to correct footnote 4.
Q. Okay. But based on what you just said, the amount for other generation, the yearend projected variance, would that number 18 change to 28 or did I misunderstand you?
A. Well, I think I had the wrong reference in the footnote. The 28 was in the number. I just had the wrong reference.
Q. I see.
A. Because when I pulled the information to make the footnote, I just, I left a piece out, quite honestly.

Q. Okay. So the variances of that line are attributable to the DOE settlement?

A. Yes.

Q. Okay. With respect to the other, on line 4 when you say "All Other Clauses," what other clauses are you referring to?

A. Primarily environmental clause. Spending in some of the fossil plants on environmental projects, and there is some timing related to equipment purchases and things like that.

Q. Would the -- and I'm sorry, line 2 with solar, how would that recover?

A. That's recovered through the environmental clause as well. I just thought it was worth breaking that one out separately. That's three projects, Martin, Manatee, and -- or, excuse me, Martin, DeSoto, and NASA Space Coast. Those three solar projects are expected to be 41 better than budget by yearend.

Q. And is that a result of some of the grants that the company could potentially receive?

A. No.

Q. What is the reason for the variance?

A. I believe it is just, you know, better execution and some change in scope on the projects.

Q. And since there is a recovery environmental clause --

A. I'm sorry?

Q. -- would those variances be reflected automatically in rates?

A. They go through the environmental clause, yes.

Q. So the rates would decrease correspondingly?

A. Correct. There are --

Q. What's --

A. -- revenue requirements associated with this, obviously.

Q. I'm sorry. I missed that last sentence you just said.

A. For the revenue requirement associated with this, this is a cap ex item, so, yes, it would get reflected in the clause, and the rates would be adjusted automatically as part of our annual clause filings.

Q. And that's an annual filing that you make?

A. Part of the environmental clause, yes.

Q. Okay.

MS. GRIFFITHS: Let me look through my

notes for just a second and see if I have anything else for you, Mr. Barrett. I'm getting close to the end here.

(Brief pause.)

BY MS. GRIFFITHS:

Q. Let me follow up on some questions that you were asked by Mr. Moyle, and this is regarding the needs determinations with respect to the GBRA. And correct me if I am wrong, but you testified that the needs determinations are based on forecasted costs for a unit and then are trued up when the unit actually goes into service; is that correct?

A. For a GBRA qualified unit, that is correct.

Q. Now, the company makes a filing when that unit goes into service, but do intervenors have the opportunity to examine the costs, the actual costs based on the current functioning of the GBRA?

A. I don't know.

Q. You don't know?

A. I don't know. I would presume in our clause filings when the GBRA rate is set and when it is reviewed after it goes into service, for the true-up to be affected, there is an opportunity to be a participant in those hearings, but I don't know the exact specifics of how it works.

Q. Okay.

MS. GRIFFITHS: Those are all the questions I have, Mr. Barrett. Thank you.

MR. BUTLER: Anyone else?

Hearing none, let me confer just briefly. I don't know that I have got much redirect, but I just want to check and be sure and then hopefully we can close this out and get on to Ms. Ousdahl.

MS. WILLIAMS: Jon Moyle, are you still on?

MR. MOYLE: I am.

MS. WILLIAMS: You had asked, you had requested a late-filed exhibit. I think it was the fourth one. It was about the 2010 and 2011 proposed versus approved budgets that you had wanted.

MR. MOYLE: Right.

MS. WILLIAMS: We didn't title that, so do you have something specific that you want to call it?

MR. BUTLER: How about Proposed versus Approved 2010 and 2011 Capital Expenditures Budgets?

MS. WILLIAMS: Perfect.

MR. MOYLE: That would be perfect. I presume there will be separate documents, correct, one for 2010 and one for 2011?

THE WITNESS: I could put them on one page. It's just going to be two columns of numbers, right?

MR. BUTLER: It will probably be a single document, but it will address separately the two, you know, years.

MR. MOYLE: Yeah, just so long as it is clearly understandable one is 2010 and the other is 2011.

MR. BUTLER: It will address the years separately.

MS. WILLIAMS: Okay. Thank you for clarifying that name for that.

(Deposition Late-Filed Exhibit 4 will be marked for identification.)

MR. BUTLER: You're welcome. And FPL does not have any redirect of this witness, so I think with that we are concluded. We do not waive reading and signing.

When will we able to get the transcript do you think?

THE COURT REPORTER: Can I go off the record?

MS. WILLIAMS: Yes.

(Discussion off the record.)

MR. BUTLER: I am expecting we can get all of these late-filed exhibits by Friday.

MS. WILLIAMS: Do you guys want to stay off the record to do this or go back on?

MR. MOYLE: No. Let's stay off I think.

MR. BUTLER: I don't think there is really anything else we need for the record that I'm aware of.

MS. WILLIAMS: Okay. We just wanted to make sure.

(Discussion off the record.)

THE COURT REPORTER: I just wanted to know if you wanted me to do appearances again since there were several beeps, if not I've got the ones we got in the beginning.

MR. BUTLER: Why don't we just ask whether anybody joined who was not on at the beginning, and, if so, to identify themselves and make an appearance.

MR. BECK: Yes. This is Charlie Beck

with the Office of Public Counsel.

MS. WILLIAMS: Anyone else? Okay, thank you. I guess that concludes the deposition.

MR. BUTLER: Thank you.

(Deposition concluded at 11:35 a.m.)

CERTIFICATE OF REPORTER

STATE OF FLORIDA:

COUNTY OF LEON:

I, ANITA M. PEKEROL, do hereby certify that the foregoing proceedings were taken before me at the time and place therein designated; that my shorthand notes were thereafter translated under my supervision; and the foregoing pages numbered 1 through 102 are a true and correct record of the aforesaid proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor relative or employee of such attorney or counsel, or financially interested in the foregoing action.

DATED THIS 20th day of August, 2009.

ANITA M. PEKEROL, CP, CM, RPR, CRR
2894-A Remington Green Lane
Tallahassee, Florida 32308
850-878-2221

CERTIFICATE OF ADMINISTERING OATH

STATE OF FLORIDA:
COUNTY OF LEON:

I, ANITA M. PEKEROL, Registered Professional Reporter and Notary Public in and for the State of Florida at Large:

DO HEREBY CERTIFY that on the date and place indicated on the title page of this transcript, an oath was duly administered by Jacqueline Bussey to the designated witness before testimony was taken.

DATED THIS 20th day of August, 2009.

ANITA M. PEKEROL, CP, CM, RPR, CRR
2894-A Remington Green Lane
Tallahassee, Florida 32308
850-878-2221

My Commission Expires: February 20, 2011.

ERRATA SHEET

Under penalties of perjury, I declare that I have read the transcript of my deposition, pages 1 through 104, and that the facts stated in it are true, including any corrections and/or amendments listed below.

DATE: ____________ (ROBERT E. BARRETT, JR.)

(In Re: Petition of Increase in Rates by FP&L Company)

Page/Line	Correction or Amendment	Reason for Change

Deposition: August 19, 2009 Reporter: Anita M. Pekerol

ACCURATE STENOTYPE REPORTERS, INC.
2894-A Remington Green Lane
Tallahassee, Florida 32308
(850) 878-2221

August 20, 2009

JOHN T. BUTLER, ESQUIRE
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

RE: Petition For Increase In Rates by FP&L Company.

Dear Mr. Butler:

Enclosed please find your copy of the deposition of ROBERT E. BARRETT, JR. taken on August 19, 2009, in the above-styled case.

As the witness did not waive reading and signing, I am also attaching the errata sheet as the last page of the transcript and request that your office make the necessary arrangements with the witness to read your copy of the deposition, noting any corrections on the errata sheet, then dating and signing the errata sheet.

Please forward the original signed and dated errata sheet to Ms. Williams and a copy to all counsel of record. If the errata sheet or a request for an extension is not received within 30 days from receipt of this letter or before the hearing (whichever is sooner) counsel may assume that the signature has been waived.

Thank you for your cooperation in this matter.

Sincerely yours,

ANITA M. PEKEROL, CP, CM, RPR, CRR

READ AND SIGN LETTER

ERRATA SHEET

Under penalties of perjury, I have read the foregoing transcript of my deposition, pages 1 through 102, and hereby subscribe to same, including any corrections and/or amendments listed below.

August, 20, 2009
DATE

Robert E. Barrett Jr.
Robert E. Barrett, Jr.

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
10/1-5	Should be attributed to Mr. Butler	Typo
22/16	Change "distribution" to "customer	Misspoke
	Service"	
26/19	Change "the plant" to "to plant"	Typo
26/22	Change "the plant" to "to plant"	Typo
27/9	Change "closed plant" to	Typo
	"closed to plant"	
30/14-15	Should be attributed to Witness	Typo
72/24	Change "SS FPL" to "FPL"	Typo
89/1	Change "low" to "load"	Typo

Reporter: Anita Pekerol of Accurate Stenotype Reporters, Inc.
Date of Deposition: 08/19/09

Petition for rate increase by FPL - Docket No. 080677-EI

2009 Approved Capital Budget
Excludes New England Division
($millions)

Business Unit	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Reference Exhibit REB-16 2009 Approved Budget	Difference	Comment
Other (REF. SFHHA 9th Int #279)																
St Lucie Joint Ownership Credit	(1)	(1)	(2)	(1)	(3)	(1)	(1)	(1)	(1)	(1)	(3)	(2)	(20)			
Capitalized Overheads	3	3	6	3	3	3	3	4	3	3	3	3	38			
AFUDC	6	6	7	7	8	4	5	5	5	5	2	2	63			
Information Management	6	6	7	7	5	7	7	7	8	6	6	8	81			
Human Resources	1	1	0	1	1	1	1	1	1	1	1	1	8			
Strategy, Policy & Business Process	1	1	1	1	1	1	1	1	1	1	1	1	7			
General Counsel	1	1	1	1	1	1	1	1	1	1	1	1	7			
Financial Business Unit	0	0	1	0	0	1	0	1	1	0	0	1	6			
Total Other (REF. SFHHA 9th Int #279)	16	17	20	19	15	16	16	17	17	15	11	13	192	191	1	Net rounding differences

Note: columns and rows may not foot due to rounding

2009 Capital Variances to Budget

Line	Capital Project	Notes	Better / (Worse) than Budget ($millions) YTD April Variance	May-Dec Projected Variance	Year-End Projected Variance
1	Other Variance (REB-22, Row 11)				
2	Project Development	(1)	6	(19)	(13)
3	Engineering Construction and Corporate Services	(2)	4	(4)	0
4	Strategy, Policy and Business Planning	(3)	2	(2)	0
5	Human Resources	(4)	2	6	8
6	Accounting	(5)	2	(2)	0
7	General Counsel	(6)	2	(2)	0
8	Customer Service	(7)	1	(1)	0
9	Total Other Variance (REB-22, Row 11)		19	(23)	(5)
10					
11					

12 Notes

13 (1) YTD variance is primarily during year timing on the pipeline project $4; YE variance is primarily between year timing issues
14 associated with Canaveral and Riviera modernizations $(13) and preliminary work on new solar projects $(6), partially offset
15 by between year timing issues on the pipeline project $6.
16 (2) Primarily timing within 2009 related to transmission right of way acquisitions and facilities management projects.
17 (3) Primarily timing within 2009 related to aviation.
18 (4) Proportion of incentive accrual to be allocated to capital lower than planned: YTD $2 and YE $8.
19 (5) Primarily timing within 2009 related to capitalized overheads.
20 (6) Primarily timing within 2009 related to project licensing and permitting.
21 (7) Primarily timing within 2009 related to office equipment and furnishings.
22
23 Note: columns and rows may not foot due to rounding

2010 - 2011 Deferred Projects

2010 Projected Test Year

Line		Total Company	Jurisdictional Factor	FPSC Jurisdictional
1	**Rate Base**			
2	**Plant in Service (Account 101)**	**($000)**		**($000)**
3	Yankee	(1,126)	1.000000	(1,126)
4	Memphis	(1,927)	1.000000	(1,927)
5	Angler	(2,609)	1.000000	(2,609)
6	Pacetti	(1,061)	1.000000	(1,061)
7	FAU	(40)	1.000000	(40)
8	Expand Monet	(451)	1.000000	(451)
9	Pelican	(61)	1.000000	(61)
10	**Total (Account 101)**	(7,276)		(7,276)
11				
12	**Accumulated Depreciation (Account 108)**			
13	Yankee	13	1.000000	13
14	Memphis	27	1.000000	27
15	Angler	54	1.000000	54
16	Pacetti	11	1.000000	11
17	FAU	1	1.000000	1
18	Expand Monet	8	1.000000	8
19	Pelican	1	1.000000	1
20	**Total (Account 108)**	114		114
21				
22	**Construction Work In Progress (Account 107)**			
23	Yankee	(908)	1.000000	(908)
24	Memphis	(1,799)	1.000000	(1,799)
25	Angler	(606)	1.000000	(606)
26	Pacetti	(926)	1.000000	(926)
27	FAU	(28)	1.000000	(28)
28	Expand Monet	(205)	1.000000	(205)
29	Pelican	(95)	1.000000	(95)
30	**Total (Account 107)**	(4,565)		(4,565)
31				
32	**Operating Expenses**			
33	**Depreciation Expense (Account 403)**			
34	Yankee	(33)	1.000000	(33)
35	Memphis	(57)	1.000000	(57)
36	Angler	(72)	1.000000	(72)
37	Pacetti	(32)	1.000000	(32)
38	FAU	(1)	1.000000	(1)
39	Expand Monet	(14)	1.000000	(14)
40	Pelican	(2)	1.000000	(2)
41	**Total (Account 403)**	(211)		(211)

2010 - 2011 Deferred Projects

2011 Projected Subsequent Year

Line		Total Company	Jurisdictional Factor	FPSC Jurisdictional
1	**Rate Base**			
2	**Plant in Service (Account 101)**	**($000)**		**($000)**
3	Yankee	(1,612)	1.000000	(1,612)
4	Memphis	(5,801)	1.000000	(5,801)
5	Angler	(3,116)	1.000000	(3,116)
6	Pacetti	(2,237)	1.000000	(2,237)
7	FAU	(803)	1.000000	(803)
8	Expand Monet	(556)	1.000000	(556)
9	Pelican	(1,323)	1.000000	(1,323)
10	**Total (Account 101)**	(15,449)		(15,449)
11				
12	**Accumulated Depreciation (Account 108)**			
13	Yankee	60	1.000000	60
14	Memphis	144	1.000000	144
15	Angler	136	1.000000	136
16	Pacetti	63	1.000000	63
17	FAU	9	1.000000	9
18	Expand Monet	24	1.000000	24
19	Pelican	17	1.000000	17
20	**Total (Account 108)**	453		453
21				
22	**Construction Work In Progress (Account 107)**			
23	Yankee	545	1.000000	545
24	Memphis	(1,254)	1.000000	(1,254)
25	Angler	(99)	1.000000	(99)
26	Pacetti	(249)	1.000000	(249)
27	FAU	(868)	1.000000	(868)
28	Expand Monet	4	1.000000	4
29	Pelican	(1,028)	1.000000	(1,028)
30	**Total (Account 107)**	(2,948)		(2,948)
31				
32	**Operating Expenses**			
33	**Depreciation Expense (Account 403)**			
34	Yankee	(46)	1.000000	(46)
35	Memphis	(166)	1.000000	(166)
36	Angler	(88)	1.000000	(88)
37	Pacetti	(63)	1.000000	(63)
38	FAU	(24)	1.000000	(24)
39	Expand Monet	(16)	1.000000	(16)
40	Pelican	(40)	1.000000	(40)
41	**Total (Account 403)**	(443)		(443)

Capital Expenditure Reductions

Excludes New England Division

($millions)

	Notes	2010 Proposed Budget	2010 Approved Budget	2010 Increase (Decrease)
Power Generation		$ 449	$ 410	$ (39)
Nuclear		679	682	3
Transmission		397	314	(83)
Distribution		669	491	(178)
Customer Service		171	181	10
Engineering & Construction and Project Development (E&C/PD)				
GBRA, pipeline and clauses	(1)	859	983	124
Other E&C/PD		55	72	17
Other	(2)	115	170	55
Total		$ 3,394	$ 3,303	$ (91)

	Notes	2011 Proposed Budget	2011 Approved Budget	2011 Increase (Decrease)
Power Generation		$ 474	$ 428	$ (46)
Nuclear		427	484	57
Transmission		389	339	(50)
Distribution		721	538	(183)
Customer Service		216	170	(46)
Engineering & Construction and Project Development (E&C/PD)				
GBRA, pipeline and clauses	(1)	771	1,007	236
Other E&C/PD		52	48	(4)
Other	(2)	119	243	124
Total		$ 3,169	$ 3,257	$ 88

Notes:

(1) Includes solar projects recoverable through the environmental clause, new nuclear expenditures through the nuclear rule, and the EnergySecure pipeline, which will be CWIP earning AFUDC. **None of these projects impacts ratebase during the test years 2010 and 2011.**

(2) Primarily Information Management projects, AFUDC and capitalized overheads.

DOCKET NO. 080677-EI AND 090130-EI
List of Accounts Where Mr. Clarke
Contends That Mr. Pous Relied On the Early
Years of Survivor Curves
C. RICHARD CLARKE
LATE FILED EXHIBIT 1

The testimony of Mr. Pous relied on the earlier years of data in developing his survivor curve analysis for the following accounts:

Account 353 Transmission Substation Equipment
Account 353.1 Transmission Substation Equipment-Step-up Transformers
Account 355 Transmission Towers & Fixtures
Account 362 Distribution Substation Equipment
Account 367.6 Distribution Underground Conductor-Duct System
Account 367.7 Distribution Underground Conductor- Direct Buried
Account 368 Distribution Line Transformers
Account 369.7 Distribution Service-Underground
Account 370 Distribution Meters
Account 373 Distribution Street Lighting equipment
Account 390 General Structures and Improvements

The Platt's World Power Plant Database is proprietary. It is a commercial product available to purchase from Platt's. Gannett Fleming is permitted to use excerpts but not to provide the entire database to third parties.

DOCKET NO. 080677-EI AND 090130-EI
Examples of Outliers That Were Removed
C. RICHARD CLARKE
LATE FILED EXHIBIT 3
PAGE 1 OF 1

The following Accounts are examples of outliers that were excluded by Mr. Clarke in his net salvage analysis:

Account 314 Turbogenerator Units.
In Exhibit CRC-1 Page 442, I considered retirements in 1992 and 1993 and associated gross salvage of $6,739,654 and $3,354,264 respectively as outliers as these were for warranty replacements at Martin Unit 1 and Manatee Unit 1. I also considered a retirement in 2003 and the associated gross salvage of $7,882,154 as outliers. The retirement was at Martin Unit 1 and the gross salvage was associated with insurance proceeds from a failed generator. I assumed these were not representative. I also questioned the negative cost of removal in 1999 of $(1,127,202) and discovered it was a reversal from 1997 so I considered the net salvage percentages for these years as outliers. The gross salvage amounts of $3,120,193 and $3,098,000 in the years 1987 and 1988 respectively were the result of insurance recoveries for a failed generator stator at Martin Unit 2 and were considered outliers.

Account 368 Line Transformers.
In Exhibit CRC-1 Page 617, I excluded the net salvage percentages for 1991 and 1992 of (384)% and 33% as the data was a result of one retirement being recorded over two years. FPL did not have details on how much was related to each year, so I disregarded the net salvage percent in those two years. Also in 1993, the gross salvage of $(1,762,419) was a reversal from the previous year so the net salvage percent was considered an outlier. In 2005, the gross salvage percent of $(74,176) was the results of a gross salvage adjustment, so it was given less weight as a possible outlier.

Below are the median lives for the plant assets in the Gannett Fleming data base.

Steam Production/Coal lives Range 40-65 years, with median at 55 years
Steam Production/oil/gas lives range 40-50 years, with median at 46 years
Combustion Turbines lives range 25-35 years, with median at 33 years

As discussed in my prefiled testimony, I used this data base only to establish a range of lives. Use of median lives for FPL would be inappropriate, as it would not reflect factors that tend to shorten FPL plant lives such as climate, geography and operational characteristics (e.g., cycling).

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	DOCKET NO. 080677-EI

TELEPHONIC DEPOSITION OF:	RENAE DEATON
TAKEN AT INSTANCE OF:	FIPUG
DATE:	August 20, 2009
TIME:	Commenced at 3: p.m. Concluded at 6:37 p.m.
LOCATION:	Gunter Building 540 Shumard Oak Blvd. Room 382D Tallahassee, Florida
REPORTED BY:	LORI DEZELL Registered Professional Reporter

ACCURATE STENOTYPE REPORTERS, INC.
2894 REMINGTON GREEN LANE
TALLAHASSEE, FLORIDA 32308
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STEVE GARL
ELIZABETH DRAPER
CONNIE KUMER
KATHY LEWIS

INDEX

INDEX OF EXHIBITS

PROCEEDINGS

The following deposition of RENAE B. DEATON was taken on oral examination, pursuant to notice, for purposes of discovery, and for use as evidence, and for other uses and purposes as may be permitted by the applicable and governing rules. Reading and signing is waived.

* * *

Thereupon,

RENAE B. DEATON

was called as a witness, having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. KAUFMAN:

Q Ms. Deaton, my name is Vicki Kaufman and I'm an attorney with the Florida Industrial Power Users Group, an intervenor in this case. And I want to just go over some of the ground rules that we've had in some of the other depositions.

First of all, I guess all objections are preserved except to the form of the question. And I'd also like to note that there should be no off-the-record discussions without the permission of all counsel present.

MS. CLARK: I disagree with that, Vicki. I think that -- oh, off-the-record discussion?

MS. KAUFMAN: Right.

MS. CLARK: Okay.

MS. KAUFMAN: Okay. So we're good with that. And there's one more. Susan, which one? I forget it already.

MS. CLARK: Let me see --

MS. KAUFMAN: I'm assuming that you do not waive reading and signing; is that right?

MS. CLARK: Yes, that's it.

MS. KAUFMAN: Got it.

BY MS. KAUFMAN:

Q Ms. Deaton, for the record would you state your name and address?

A Renae Deaton. My business address is 9250 West Flagler Street, Miami, Florida.

Q And you are employed by Florida Power & Light?

A Yes, I am.

Q And what is your position?

A Rate development manager.

Q Okay. Have you had your deposition taken before?

A No -- yes.

Q How many times have you had your deposition taken?

A I've had a deposition taken once before.

Q Was it in a matter before the Public Service Commission?

A No, it was not.

Q What kind of case was it?

A It was a litigation of an employee against a former employee.

Q Have you appeared as a witness before the Florida Public Service Commission before?

A I haven't.

Q So this is your first time. You filed two sets of testimony in this proceeding, correct? You filed direct testimony and you filed rebuttal; am I right?

A Yes.

Q As to your direct, do you have any changes or corrections to either your direct testimony or to rebuttal? I mean, I'm sorry, to direct or to your exhibits to direct?

A I have an errata sheet that will be filed.

Q Are there any -- are your errata sheets what I might call typographical or grammatical changes or are there substantive changes?

MS. CLARK: Vicki, why don't we just give you what they are. How about that?

BY MS. KAUFMAN:

Q Okay. That's fine, Ms. Deaton, but go ahead and tell me what they are.

MS. BROWN: Vicki, I hate to interrupt, but we're having a pretty hard time hearing the witness. Could she get closer to the mike?

THE WITNESS: Is that better?

MS. BROWN: A little bit.

THE WITNESS: There seems to be an echo.

BY MS. KAUFMAN:

Q Well, give it a shot, Ms. Deaton. We'll see what we can do.

A Okay.

Q You were going to give us your changes to your direct.

A Okay. Changes to direct, on page 7, line 4, delete the words "are estimated to." Page 7, line 7, insert after "these reductions," comma, insert the words "the base portion of." And on Exhibit RBD-7, page 7, under the CDR rider, delete everything, and then it should say, "No changes are proposed for the CDR rider."

Q On that last change you're suggesting to delete the sentence?

A Delete everything under "CDR rider."

MS. CLARK: Read to her what you're deleting.

THE WITNESS: I'm deleting the words that say, "No changes are proposed to the credits available under the CDR rider. The revisions to the administrative adders are proposed based on the customer unit costs reported in MFR E-6b. Specifically, the proposed administrative adder by rate schedule is based on the difference between the customer unit costs under the applicable CILC rate schedule and that of the otherwise applicable tariff."

I'm deleting all of that, and instead inserting the words, "No changes are proposed for the CDR rider."

BY MS. KAUFMAN:

Q When did you decide to make the deletion that you just described in Exhibit RBD-7?

A All right. Well, do you want to talk about that or you want to finish the exhibit?

Q All right. Let's just go ahead and get the rest of the changes. You're right.

A RBD-2 is being updated in its entirety to reflect the new fuel and capacity factors being filed today, August 20th. Okay. Today. And also to reflect the proposed adjustments in exhibit KO-16.

Q In which exhibit, I'm sorry?

A RBD-2.

Q But you said to reflect the adjustments where?

A In the fuel -- oh, the adjustments to base rates, the estimated adjustments to base rates that are reflected in Exhibit KO-16, Kim Ousdahl.

Q Ousdahl. Thank you. So have you now given us all the changes to your direct and rebuttal? I mean, to the direct and your exhibits to direct?

A Yes, I have, and I have no changes to the rebuttal.

Q Okay. Thank you for that.

Let's start with the change that you made to RBD-7 on page 7 of 11. When did you decide to strike that portion that you read to us?

A When we got a staff interrogatory on that, that portion, and we realized that we had incorrectly inserted that language.

Q What staff interrogatory are you referring to?

A I don't remember which one it was.

Q When did you receive the interrogatory?

A Don't remember exactly when I received it.

Q Well, we would ask for --

MS. KAUFMAN: If you can't come up with that information now, Susan, we'd ask for a late-filed exhibit identifying which interrogatory Ms. Deaton is referring to.

MS. CLARK: That's fine. Vicki, we're going to -- we're going to have Cole see if he can find it and give it to you. Let's put off the late-filed exhibit and we'll find it and tell you it.

MS. KAUFMAN: Very good.

BY MS. KAUFMAN:

Q Ms. Deaton, were you responsible for the preparation of RBD-7?

A Yes, I was.

Q And so you originally had included the language that you're now suggesting you want to delete?

A RBD-7 was developed originally with this language in it and it should have been struck.

Q And did you develop it or did somebody else?

A Under my direct supervision.

MS. CLARK: Vicki, I think we have that number for you now, the interrogatory number.

MS. KAUFMAN: Okay.

BY MS. KAUFMAN

Q What is the interrogatory number, Ms. Deaton?

A That interrogatory is numbered 30.

Q And does that show when the interrogatory was served on Florida Power & Light?

A May 29th.

Q May 29th. Okay. And does it show the date of your response?

A June 29th.

Q Can you tell us why you've waited almost two months to make this correction?

A The process was to hold the errata till the end.

Q So you haven't supplied any other corrections to the parties yet?

A Could you repeat the question?

Q Yes. I thought that you had just said that the reason you haven't corrected -- you had not corrected this earlier was because the practice was to hold all errata till the end of the case. And my question was, are you saying that FPL has not provided any corrections to any other testimony or exhibits yet?

MS. CLARK: Vicki, I object to the form of the question. I think you've mischaracterized what she said.

MS. KAUFMAN: She can explain.

BY MS. KAUFMAN:

Q Ms. Deaton, is it your testimony that FPL has not provided any other corrections to its testimony or exhibits?

A I -- I don't know what any other witness has done. We provided this response to staff on June 29th. It was available to all the parties, was my understanding.

Q And so sometime between May 29th and June 29th you decided to strike that part of your exhibit?

A Well, in responding to staff we realized we made a mistake in the language.

MS. CLARK: Do you know, Vicki, there's somebody on the line that's periodically making a lot of noise. Do you hear that?

MS. KAUFMAN: Whoever is making that noise, stop.

MS. CLARK: Somebody might be on a cell phone or something.

MS. KAUFMAN: It sounds more like papers rustling or something like that.

MS. CLARK: Okay. All right.

BY MS. KAUFMAN:

Q Okay. All right. We'll see if we can proceed with the noise and whatnot.

Ms. Deaton, I'm going to turn to your rebuttal testimony, which is where a bunch of my questions are.

And before we go there, I had sent a request to your counsel and asked you to bring a number of documents to your deposition. Do you have those with you?

A Yes, I do.

Q Okay. Great. That will speed things up.

Take a look, Ms. Deaton, at page 3, line 18 of your testimony. Actually the question begins on line 18. And let me know when you're there.

A Yes.

Q And in that question and answer, which goes over to the next page, am I correct that you're criticizing Mr. Pollock's testimony regarding application of the contents of gradualism in this case?

MS. CLARK: Object to the form of the question. Go ahead and answer it.

A We -- what my testimony says is there is not a reason to use the gradualism in this case, as bill impacts are not -- are mitigated by the fuel decreases.

BY MS. KAUFMAN:

Q So Mr. Pollock suggests that gradualism should be used and you disagree with that; is that right?

A Yes. I don't agree it should be used in every single case. It's a principle that's to be weighed against other principles of equity and fairness.

Q Can you give us your definition of the term gradualism?

A As it's used by the PSC?

Q As you understand it, Ms. Deaton.

A As I understand how it is applied by the PSC in prior rate cases, they -- they will apply a limit of rate decreases to unusual rate classes of 150 percent of the system average rate increase. And they will not apply a rate decrease to any rate class.

Q So that when you use that term on line 19, that's your understanding of what it means, right?

A Yes.

Q And you've just described, you know, I guess I -- can we shorthand it as the 1.5 times rule?

A Sure.

Q Okay. And as you mentioned, you discussed -- your opinion is that that shouldn't be applied in this case?

A That's correct.

Q Now, part of your rationale for that, you discuss beginning I guess on page 5, and you have a number of Commission orders that you talk about there, right?

A Yes.

Q And I've asked you to bring them with you today.

A That's correct.

Q Okay. The first one that -- well, I'm not necessarily going to go through it. But one of the things that you talk about is the 1981 FPL rate case order, correct?

A Right.

Q And you talk about that I guess beginning on line 8. And you quote from that order, correct?

A Yes.

Q I can't see you, so don't take this question the wrong way. But were you a participant in that case? See, I don't know what you look like. You're probably very young.

A No, Vicki, I was not a participant.

Q Did you review any transcripts from that case?

A No. I read the order.

Q Did you read the entire order?

A Yes, I did.

Q Good for you. Okay. Would you agree with me that the only place that the -- what we call the 1.5 times rule is addressed is in the section entitled Rate Allocation Between Customer Classes? And I apologize, I can tell you the page it is on my copy, but I am not sure if it's the same on yours. So if you could turn to the section that begins "rate structure and rate design," in that section.

MS. CLARK: We're looking.

MS. KAUFMAN: Okay. There's sort of a subheading that says "revenue allocation between customer class."

MS. CLARK: Vicki, do you know, are you using Lexis or --

MS. KAUFMAN: I'm using Westlaw.

MS. CLARK: Oh, okay.

A I have the section called Rate Structure Rate Design. I do remember when I looked at the order it was mentioned in the two different places in the order. Unfortunately I haven't highlighted those.

BY MS. KAUFMAN:

Q Well, I'll direct you to one place, and it may be on the same page or the following page. There's a subsection or a subheading called Revenue Allocation Between Customer Classes. Do you see that?

A Yes.

Q And that's the part that you have quoted in your testimony on page 5, correct?

A Let me just double-check here. Yes.

Q Now, I think you mentioned that you believe this was discussed elsewhere in the order; is that right?

A Yes.

Q Okay. If you can tell me where that is?

MS. CLARK: Give us a minute and we'll look for it.

MS. KAUFMAN: Absolutely.

MS. CLARK: Vicki, we're going to have someone looking for it and we can go on.

MR. WISEMAN: Here it is.

MS. CLARK: Wait a minute.

A It is under summary of decision in the beginning.

BY MS. KAUFMAN:

Q Okay.

A The next to the last paragraph above where it says search background, the last sentence.

Q Where it said, "However, we have placed a constraint upon this objective in that no class shall be increased by an amount exceeding 1.5 times the system average"?

A That's correct.

Q Okay. Thank you for searching for that.

Now, in -- back on your testimony on page 5, you say in regard to that order, "The Commission clearly indicated that this guideline was designed to mitigate the impact of the total customer bill." Do you see that in your testimony?

MS. CLARK: Yes. That's on page 5, line 13?

MS. KAUFMAN: Right.

A Yes.

BY MS. KAUFMAN:

Q I'm just trying to set up the question, Ms. Deaton. What you said in your testimony is the statement we just discussed. In that statement, the Commission clearly indicated the guideline was to mitigate the impact of the total customer bill, right? That's your testimony?

A Right. That's correct.

Q Okay. In the section that we have referred to under Revenue Allocation Between Customer Classes, where do you see the Commission say, "We are clearly indicating that this may mitigate the impact of the total customer bill"?

A In the quote that I say, where they say, "We feel the impact on customer bills must be considered in allocating revenue."

Q And the word they use is "considered," correct?

A Yes.

Q Okay. Do they say that that consideration should -- should be the paramount one?

A (Inaudible.)

Q Are you still there?

A Yeah. I said no.

Q Oh, I'm sorry, I did not hear you say that. You're not a lawyer, are you?

A No.

Q So your interpretation of the clearly indicated language that you use in your testimony is your interpretation of what the Commission meant?

A Yes, that's the only reasoning they gave for the 1-and-a-half percent.

Q Okay. Can you look again, maybe on the prior page, you talk about the section that's titled Rate Structure and Rate Design, and the very first subheading is Cost of Service Methodology?

A Yes.

Q Okay. Can you read that first sentence under Cost of Service Methodology?

A "It is generally agreed that the distribution of revenues among classes of customers should be based primarily on cost of service consideration."

Q Now, in using the word "primarily," does that indicate the Commission felt there were other considerations to be taken into account?

A They said that --

Q For you?

A This is the primary consideration.

Q That's not the only one, right?

A It is the primary one.

Q It's not the only one, correct?

MS. CLARK: You know, Vicki, can you point to where in the order you want her to look?

BY MS. KAUFMAN:

Q I just read it.

A Other considerations.

MS. CLARK: Other considerations? I mean, the order says what it says.

BY MS. KAUFMAN:

Q I'm asking for Ms. Deaton to look at the sentence we just read that contains the phrase that the Commission revenues among customer classes should be based primarily on cost of service consideration. And I'm just asking you if you think that means that there are other matters that should be taken into account. If you don't think so, then that would be your answer.

A I think it says that this is the primary consideration.

Q Would that be to the exclusion of all other considerations?

A No.

Q Now, in this -- the FPL case, the 1981 case.that we're taking a look at here, do you know how the PSC limited the increases in that case?

A In this case?

Q In the 1981 FPL order that we've been looking at.

A They limited it based on 1.5 times the system average rate increase.

Q Do you know what customer classes were impacted?

A I don't recall that.

MS. CLARK: Did you hear that, Vicki?

MS. KAUFMAN: Yes, I did.

MS. CLARK: Okay.

BY MS. KAUFMAN:

Q Now, in your testimony, Ms. Deaton, you also talk about the recent Tampa Electric case, correct?

A Yes, I do.

Q And you brought that with you, the order, I mean?

A I have the order and the staff recommendation. As you requested.

Q Okay. And that's, just for the record, PSC-09-0283-FOF-EI. That is the Tampa Electric final order.

Can you turn to page 87 of that order?

A Okay.
Q And the very first full sentence on that page 87 again describes the 1.5 times rule that we've been discussing, correct?
A Yes, it does.
Q And did the Commission put any limitations on the application of that rule in the Tampa Electric order?
A I don't recall seeing any.
Q Do you know when the Tampa Electric order was issued?
A I believe it's dated on the front of it. April 30th, 2009.
Q So this is a pretty recent pronouncement of the Commission, correct?
A The date of the order.
Q Again, I'm sorry?
A That's the date of the order.
Q Now, you also talked about the -- on the next page, I guess, page 6, the Peoples Gas rate case, which is also from this year, right?
A Yes.
Q And you referred to page 2 of the staff's recommendation, correct?
A Yes.

Q Just so I'm clear, is that the staff recommendation dated May 7, 2009?

A Yes, it is.

Q Okay. I just wanted to be sure. And if you look at page 2, which you reference in your testimony.

A Yes.

Q The second full paragraph under Class Revenue Requirement, the last sentence again states the 1.5 times rule, and then it says, "Minor deviations from these principles are discussed below," correct?

A Right. It says, "General Commission practice is to move all classes closer to parity while giving no class an increase greater than 1.5 times the system average percent increase and giving no class a rate decrease. Minor deviations from these principles are discussed below."

Q And if you look at the discussion below, they are talking in the -- in the third paragraph, their variation in order to provide a decrease to the GS-4 class, right?

A Yes. And they also have a variation on an increase for the Natural Vehicle Gas Sales class. And if you look in the -- the attachment 7, you will see variations in other rate classes besides those discussed here. Not all of the variations were discussed in the staff recommendation.

Q And going back to the page we were just on, page 2 of the recommendation, the second deviation may -- it started off with a decrease, right? I'm sorry. It is not a decrease.

A No. It's an increase. And then Natural Gas Vehicle Sales is also an increase. And if you look at schedule 7, you'll see that residential service is also an increase above 1.5. Commercial streetlighting is also an increase above 1.5, and the commercial generator rate class.

Q Let's look at that second paragraph that I was just talking about so that we can get this clear for the record. The second deviation that's described in the recommendation that you referred to, is that the interruptible class should have received a decrease but they did not because of the application of the rule, they kept that rate constant, correct?

A Yes, they did.

Q Okay. And then you mentioned the Natural Gas Vehicle rate on the third paragraph. Do you have the Peoples --

A Along with the other rate classes that also received increases above the 1-and-a-half.

Q We're going to get to that. Do you have the

Peoples Gas order itself as opposed to the staff recommendation we've been looking at?

A Yes, I do.

Q And, again, for the record, that's PSC-09-0411, and it's -- June 9th is the date of the order, correct?

A Yes.

Q Can you direct me to anywhere in the text of the order that the deviation from 1.5 is discussed?

A It's not mentioned in the order. They just approved the staff recommendation for the increases to the classes.

Q So it's not discussed anywhere in the order, correct?

A That's my understanding.

Q I'm sorry?

A That's my understanding.

Q Now, on page 7, and I'm sorry, I'm still on page 6. I'm sorry. You are talking about the Gulf order, correct?

A That's correct.

Q And at the bottom you quote the sentence from the order which says, "Thus, the greater equity lies in allocating increases to those rate classes with substantially lower rates of return." Correct?

A That's correct.

Q You told us what you thought greater equity meant, but do you have a view as to what "substantially" means?

MS. CLARK: I'm sorry. Vicki, where --

A Substantially lower rates of return.

MS. KAUFMAN: Line 20 on page 6.

A I did not look at the individual rates of return to see what the discrepancies were.

BY MS. KAUFMAN:

Q So you don't have a view as to what the Commission meant when they said "substantially"?

A No.

Q Do you know which, in the Gulf Power case, which classes were impacted?

A No, I don't.

Q Do you know whether the classes that were moved closer to parity were moved to exact parity?

A I don't have the final parity analysis of the compliance filing in front of me, so no.

Q Did you look at it, prior to filing your testimony?

A Not for Gulf, I don't think so.

Q So, at least as we sit here today, you don't know if the Commission moved the customer classes to exact parity, right?

A I would guess probably not, but no, I don't.

Q All right. I think we're going to leave page 6.

If you'd take a look at page 8, beginning at line 6, you're discussing Mr. Pollock's testimony.

A Yes.

Q And you -- I'm trying to understand here. Are you -- you're taking issue I guess with the fact that he says that FPL has underpriced the demand charge and overpriced the energy charge, right?

A That's correct.

Q Are you meaning to tell us in this testimony that, in your view, rate design should not follow the actual cost of providing service?

A No, of course not. We did follow cost of service and that's what my testimony says.

Q Well, let's take a look -- I'm assuming you've got Mr. Pollock's testimony with you. Was that a correct assumption?

A Somewhere in here.

Q Okay.

A I have it.

MS. CLARK: We have it, Vicki.

BY MS. KAUFMAN:

Q All right. And I hope you have received the corrected or what we call the revised page 60, Ms. Deaton?

A No, I have not?

MS. CLARK: When did you provide that Vicki?

MS. KAUFMAN: I believe it was Monday. But I will tell you what the corrections are, if you'd like, for purposes this have question.

BY MS. KAUFMAN:

Q If you would look at Mr. Pollock's chart on page 60 there.

A Uh-huh.

Q The first column stays the same, the second column stays the same, but the nonfuel energy charge should be 1.267 for the CILC-D.

A Okay.

Q And then for the CILC-T, it should be two dots -- I mean, I'm sorry, it should be 1.267.

MS. CLARK: We're having trouble understanding that.

A You're saying both under the nonfuel energy charge, both the CILC-D and CILC-T should be 1.267?

BY MS. KAUFMAN:

Q No. I'm saying under CILC-D, the nonfuel energy charge should be 1.267.

A Okay.

Q And then under CILC-T, like Tom, it should be 1.018.

A 018. Okay.

Q And you would agree that these charges, your energy charge, is higher than the cost that's shown in your cost of service study, correct?

MS. CLARK: Are you clear on what she's asking you?

BY MS. KAUFMAN:

Q If you look at that chart, Ms. Deaton.

A Hang on. I'm going to reference my rates.

Q Okay.

A Those rates are set higher than the unit costs, that's correct, but that's done to achieve target revenues as proposed in the cost of service. So they follow the cost of service, they do not follow the cost of service unit cost. They follow the cost of service target revenue.

Q And all, I'm just trying to be clear, so that I understand that the charges are higher than the cost?

A No. They're higher than the unit cost.

Q Cost?

A You have to consider all the costs in developing the rates for each rate.

Q If you still look on page 8 of your testimony, at line 14, you about limit adjustments were made to the service demand rate. Do you see that?

A Yes.

Q Were those adjustments to increase the energy charges above the nonfuel energy cost, or were you talking about a different kind of adjustment?

A Those adjustments were made in order to have all the general service demand rates balanced.

Q But what were the adjustments? Were they what we've just spoken about, increasing the energy charges above the nonfuel energy cost, or are they --

A It was -- the adjustments were positive adjustments to the energy rate and the adjustments to the demand were reductions in the unit cost.

Q Okay. I'm going to have to ask you to say that again. I'm not sure I understood it.

A Some of the adjustments were increases to the energy rate, and some of the adjustments were decreases to the demand rate. In order to balance between the GSLD-1, LD-2, LD-3, HSLT-1, 2 and 3, seasonal demand 1, 2 and 3 --

MS. CLARK: You need to read slower for the court reporter.

BY MS. KAUFMAN:

Q Yeah. And for me. My ears don't listen that fast.

A And the curtailable service rate.

MS. CLARK: Vicki, do we need to say that again?

MS. KAUFMAN: I think that would help me.

A The adjustments were made in order to balance between the GSD rate, GSLD-1, GSLD-2, GSLD-3, the corresponding time of use rate, the corresponding high load factor time of use rate, the corresponding seasonal demand time of use rates, and the corresponding curtailable service rate.

BY MS. KAUFMAN:

Q And just so I'm clear, the adjustments -- and I'm sorry if I -- I'm confusing you and you've already answered this, but were the adjustments to increase the nonfuel energy charge above the unit cost for those classes?

A Some of the adjustments were to increase the nonfuel energy charge and some of the adjustments were to decrease the demand charge.

Q Can you tell me which classes got the increase in the energy charge above the unit cost?

A If you look on MFR E-14, attachment 2 of 3, page 10, the adjustments are itemized.

Q Well, maybe you can tell me what they are.

A All right. For GSD, we had an overall adjustment of a decrease of $3.25.

Q Wait. When you say an overall adjustment, are there components to the adjustment?

A In the demand charge, a $3.25 decrease.

Q Okay.

A And the same for GSD DT. For GSLD-1, there was a $2.50 decrease in the demand charge, and a 1.28-cent decrease in the energy charge.

Q You sounded -- is that correct? You sounded hesitant.

MS. CLARK: Yeah. We're looking at the numbers on the chart.

A Yeah. A 0.128-cent per kilowatt hour decrease.

BY MS. KAUFMAN:

Q Is that -- are you finished with the adjustments or are there more?

A I'm just checking mine. And then -- no. That's it.

Q Okay. And would you mind giving me the reference again of the MFR you were looking at?

A E-14, attachment 2, page 10.

Q Okay.

A Are you ready for the next one?

Q Yes.

A Okay. The GSLDT-2 rate demands adjustment was a $2.50 reduction to unit cost and an energy reduction of 0.297 cents per kilowatt hour.

Q Okay.

A GSLD-3 rate is a total $4 reduction in the demand charge.

Q All right.

A The 0.85 cents per kilowatt hour reduction in the energy charge.

Q Okay. I mean, if you would just keep going, that would be fine.

A Well, that's it for the general service demand rates that I'm speaking about in my rebuttal testimony on page 8.

Q Okay. Thank you.

Let's take a look at page 9 of your reasonable rebuttal.

A Okay.

Q And there you're talking about the CDR rider and the fact that the credit is going to be set in the demand-side management conservation goals docket. Would you -- are you a participant in that docket?

A No, I'm not.

Q Is it your understanding that rates are going to be set in that docket?

A It's my understanding that rates for conservation programs are set in those dockets.

Q In the goals dockets?

A Yes, in the plan docket. In the same docket in the plan section. DSM plan.

Q Are those -- assuming that rates are set there, which is just for the purpose of this question, are they then reviewed in the conservation cost recovery docket?

A The conservation cost recovery docket is my understanding of where those credits are recovered.

Q But not set?

A I don't -- I'm not sure if they're set in that docket. It's my understanding they're set in the -- when the plan is proposed and accepted in the DSM dockets.

Q Your understanding is when the plan is proposed and accepted in that docket, at that time the rate is set?

A Yes. And it's reviewed as needed on -- as -- in subsequent dockets.

Q And would it be fair to assume that you base that understanding on something someone told you?

A The people involved with the DSM goals docket, yes.

Q Those would be FPL employees?

A Yes.

Q Can you tell me who told you that that was going to happen in the DSM goals docket?

A Steve Sim.

Q Okay.

A And a new person that's in that section.

Q You don't know who it is but you describe him as a new person?

A I'm not great with names. Brad Gunter, I believe.

Q Okay. Let's flip over to page 9 of your rebuttal at the very top.

A I need to tell you of an additional adjustment I had missed when I was giving you the adjustments on the individual rates.

Q All right.

A There's an overall adjustment of a positive of .919 cents per kilowatt hour.

Q When you say overall adjustment, you mean for the general service class?

A Yeah. Well, for each rate that I mentioned when I mentioned the individual adjustment. There's a -- there's an adjustment of .0919 cents per kilowatt hour increase to the energy rates, but then there's decreases that I had spelled out earlier.

Q So are you telling me that that's the average? I'm not understanding what that last --

A That's the adjustment that's made to each -- that was made to each rate officially, and then for -- standard for each rate and then additional individual adjustments were made that I pointed out. I did not add in the -- the initial adjustment when I gave you the individual adjustment.

Q And would -- what was the purpose of the initial adjustment?

A The initial adjustment is just -- it's just part of an interim process to get these things to balance.

Q So, just so I can understand, I guess you've got a pot of revenues that you're trying to distribute and it's sort of getting the pot to balance is what you called it?

A Yeah.

Q Okay. I'm trying to understand.

A We're trying to get everything to balance, yes.

Q At the top of page 9 now, you -- you're

talking there about the HSLT rate design, correct?
A Yes.
Q And you have told us that you used a 70 percent load factor for that, for describing that rate, correct?
A I did.
Q And I think that's shown on MFR No. 14, attachment 2 of 3, page 16.
A I don't know the page -- well, it would be on page 14, 15, and 16.
Q Attachment 2 of 3, page 16 of 37?
A Page 14 has HLT-1, page 15 has HLT-2, and page 16 has HLT-3.
Q Can you tell me how that 70 percent was developed?
A We looked at the overall load factor of the class, and it was -- I believe everybody was pretty much at 80 percent. I know that 70 percent was proposed last time and intervenors requested I guess in the settlement to lower it to 65 percent. Since everyone was already, you know, pretty much already at 80 percent or above, we went ahead and sent rates at 70 percent.
Q Just so I understand, you -- you're saying everybody was pretty much at 80 but you dropped it down to 70?

A Yeah. Well, in consideration of the fact that last time intervenors had requested 65, and that's where we settled.

Q Now, when you used the 70 percent to design the HLST rate, would you expect that a customer that has a higher load factor would see a lower rate on the HLST and on the GSLDT?

A It depends on the amount of load on peak.

Q If it's -- what's your understanding of the typical split, if there is one, between on peak and off peak?

A The kilowatt demand --

MS. CLARK: Clarification from you. What do you mean by "typical"?

BY MS. KAUFMAN:

Q Well, I'm going to take her through the exhibit that I have sent and we can discuss it then. Let me go back -- let me go back to the question I just asked. And tell me your answer again. I asked you if you would expect that an HLST customer at 80 percent or 90 percent load factor would see a lower cost on that rate than on the GSLDT rate. And tell me what your answer was.

A Based on the GSLD -- which rate? I'm sorry.

Q T?

A LDT?

Q Right.

A This is balanced to the GSLD rate.

Q Okay. Well, would you, using that rate, would you expect the higher the load factor, say an 80 or 90 load factor, the customer would see a lower cost on the HLST rate than on the GSLDT?

A I think that, yes, the customer would see benefits under the HSLT the higher the load factor. The greater benefit is in the shifting of demand off peak. The customer has an opportunity to say -- what is it -- $7.57 per kilowatt for every kilowatt they shift off peak.

Q But as a general matter you would expect the higher the load factor the lower the cost on the HLST rate compared to the GSLDT?

MS. CLARK: I'm going to object to the form of the question.

Go ahead and answer.

A The rate is designed for -- to be revenue neutral with the GSLDT rate. The GSLDT rate provides a benefit for customers who maybe can shift energy off peak. But the HLST rate provides a benefit to customers who are able to shift demand off peak, and it's a pretty big benefit.

BY MS. KAUFMAN:

Q Okay. Well, let me -- maybe I'm not articulating my question clearly.

A It depends on the customers' loads on -- on and off peak.

Q Okay. Do you have the one-page comparison that I provided to your counsel, which is called Comparison of Base Rate Bills Between Proposed GSLDT-2 and HLST-3 Rates?

A Yes, I do.

Q Have you had an opportunity to take a look at that?

A Yes, I have.

Q Okay. And first of all, the source of the numbers is in the -- I guess I should say the first block.

MS. KAUFMAN: And I should go ahead and give this a number before we proceed.

I guess, Madam Court Reporter, this would be Exhibit No. 1. And let's go off the record for a second if we could.

(Off the record.)

MS. KAUFMAN: Back on the record. And we will call this Exhibit 1 to Ms. Deaton's deposition. Comparison of Base Rate Bills.

BY MS. KAUFMAN:

Q All right. I'm sorry, Ms. Deaton. I was going to discuss with you the very first block there came out of FPL's MFR E-13-C. Have you verified that those numbers are correct?

A No, I haven't.

Q Okay. Well, do you want to take a minute to do it or do you want to accept subject to check that they are? They look right to you?

MS. CLARK: Yeah. Give us a second.

THE WITNESS: This won't take long.

MS. CLARK: I don't think she's where she wants to be with that.

A Okay. The rates match.

BY MS. KAUFMAN:

Q Okay. Great. And then what we've done in this exhibit on the middle block is simply to show a bill at the 70 percent load factor, the 80 percent load factor, and the 90 percent load factor. And the split of on peak and off peak in the middle of the second block is 26 percent on and 74 percent off. Does that make sense?

A Yes. But you don't show what the peak demand is. You can't calculate the bill without the peak demand.

Q Well, if you look at the bottom, we're going to go through that.

A Okay. You saying the on peak demand is equal to the maximum demand?

Q Right. Okay? If you would take a moment to look at that and see if those calculations appear correct to you with the assumptions that I've provided.

A Okay. We have confirmed that.

MS. CLARK: Vicki, we'll do it subject to check --

MS. KAUFMAN: That's fine.

MS. CLARK: -- that they are right, but if we find out they are not, we'll let you know.

MS. KAUFMAN: Understood.

BY MS. KAUFMAN:

Q But at least from your review thus far they look right, don't they, Ms. Deaton? I understand you'll check them. But do they look appropriate to you?

A Yes.

Q Okay. Good. And really the critical issue here is in the middle block all the way to the right, where it says GSLD-2 versus HSLT-3 costs. Do you see that?

A Yes, I do.

Q Okay. And for a customer to -- I don't know what the right term is -- break even on the rate, they'd have to be at a 90 percent load factor, given the assumptions in this spreadsheet, right?

A I disagree with that.

Q Okay. Tell me why you disagree.

A In order to break even for the 70 percent load factor, they would need to shift or reduce on peak load by only 5 percent.

Q Yes. I'm telling you, or I'm asking you, if you would, to accept the assumptions that we discussed. I understand that certainly we can change them.

A Your question was in order to break even they have to receive -- they have to be at 90 percent. And I'm saying no, that in order to break even they can either increase their load factor to 90 percent or simply reduce their on peak demand by a percent.

Q Right. I understand that. I understand what you're saying. But if you look at the second block that we've just discussed under -- if no changes were made and if you accept these assumptions, before the rate becomes attractive to them, it is customary -- they have to get closer to 90 percent?

A I just don't agree with those assumptions. Most of the customers are not -- their peak demand and maximum demand are not the same.

Q Okay. Well, I understand you don't agree with the assumptions, but -- and you've made that clear. But looking at what I have provided to you, under these assumptions, what I have said is correct, which is that they have to get -- this customer would have to get close to 90 percent for this to be an attractive rate?

A Your math is correct.

Q Now, you have a criticism of Mr. Pollock's discussions of the CILC rate design, right?

A Yes.

Q And you say that the CILC revenues are adjusted to reflect the CILC incentive offset, right, and you direct us to an MFR. I think it's MFR E-5?

A I'm looking for the reference in my testimony.

Q I'm sorry. It's on page 9, line 14.

A Yes, E-5.

Q Can you tell me what this CILC incentive offset is that's reflected there on line 6 of MFR E-5?

A That's the amount of the incentive that was approved by the Commission in setting the rates, in setting the CILC rates for -- as a conservation program.

Q So that's a number that was taken from a Commission decision, is that what you're saying?

A The Commission decision on the CILC rate was to -- that the incentive would be the difference between the revenues collected under the CILC rate and the otherwise applicable rate. So the -- so during the conservation clause recovery these are the amount of revenues recovered through ECCR.

Q Is that something that changes every year?

A It changes, yes.

Q In the conservation cost recovery docket?

A I believe so. I believe they recalculate it every year.

Q Can you tell me what demand charge is applicable to a CILC customer for the firm part of that customer's load?

A I'm a little confused about your question. Are you talking about the revenues?

Q The demand charge to the customer. Uh-huh.

A You broke up there.

Q I'm sorry. I'm talking about the demand charge for a CILC customer, the firm part of his load.

A That is laid out in -- which CILC rate are you looking at?

Q Why don't you tell me both?

A The maximum demand charge is -- if you look on page 29 of attachment E-14.

Q Uh-huh.

A There's a maximum demand charge that recovers distribution costs from the distribution rate CILC-1D and 1G, and there's a firm on-peak charge that recovers production and transmission costs from all three rates. And there's an interruptible on-peak charge that collects transmission costs from the -- for the nonfirm portion of the load.

Q Is that the firm on-peak charge -- demand charge you just talked about, is that intended to reflect the cost of providing a firm service to the CILC customer?

A That's intended to reflect the cost of production and transmission.

Q For firm service?

A Yes, for the firm portion of the load.

MS. KAUFMAN: Give me just a second, Ms. Deaton, to look back through all the papers spread out over my desk.

Do you all want to take a five-minute break or you just want to hang on?

MS. CLARK: We'll just wait.

(Off the record.)

BY MS. KAUFMAN:

Q Okay. I've just got I think one more question.

Back on the CILC, you referred to a position of the Commission. Can you either provide that position to me or tell me more specifically what order of the Commission you're referring to?

A Yes. I have my papers spread all over the table.

(Pause.)

THE WITNESS: We're still looking.

MS. KAUFMAN: I do have another question if there's somebody else looking for it other than Ms. Deaton. Or if you want to wait we can do that.

MS. CLARK: Vicki, if you'll just wait a minute.

MS. KAUFMAN: Okey doke.

MS. BROWN: Vicki, while you're waiting, Exhibit 1 to the deposition, do you have a short title for that? I have one if you don't.

MS. KAUFMAN: Comparison of Base Rates?

MS. BROWN: That's it. Base Rate Bills.

MS. KAUFMAN: Comparison of Base Rate Bills.

MS. BROWN: Yes. Good.

MS. KAUFMAN: If you want to provide that in a late-filed, that would be fine.

MS. CLARK: Yeah, let us provide it to you later.

(Late-Filed Exhibit No. 1 was identified.)

THE WITNESS: There was a whole string of orders because it was a pilot rate and there was some settlement, so -- and the order, I can give you an order number where they accepted the final rate. It's -- oh, here it is. 22837-A. I'm sorry. 22837 dash alpha. In Docket 891045-EG.

BY MS. KAUFMAN:

Q 8-9 what? I'm sorry?

A 891045-EG.

Q And is that the order that you're referring to where the Commission set this CILC incentive offset?

A Yes.

Q Thank you. The other question that I have goes back to the 1.5 times rule. I think that you mentioned here today, and you may have mentioned in your prefiled as well, that it's the appropriate time to move towards parity because customers are going to see a bill decrease; is that correct?

A Yes.

Q Okay. And that bill decrease that you're talking about is in 2010, right?

A Right.

Q And that bill decrease is related to a decrease in the fuel adjustment charges, correct?

A Fuel and other clause factors.

Q Okay. It's not related to a decrease in base rates, right?

A No.

Q And, in fact, in 2011 customers are going to see an increase if FPL's granted a second-year increase, right?

A It's projected that they would see a slight increase based on current fuel costs.

Q And are you aware that the fuel adjustment charges are set and changed every November?

A Yes, I am.

Q Okay. So certainly it's possible that in the future the fuel adjustment charges are going to increase, correct?

A It's possible they could increase. It's possible they could decrease even further.

Q Exactly. But part of your premise for not applying the 1.5 is because in 2010 they're going to decrease?

A Yes, that's part of my premise. The other part is that this is a fair allocation of cost to the rate classes.

Q And would that remain your view, even if on the lower fuel adjustment if just the one year changed?

A Yes.

MS. KAUFMAN: Thank you, Ms. Deaton. I am done.

MR. WISEMAN: This is Ken Wiseman. I wonder if -- I hope I can go next. I need to catch a plane soon. Is that okay?

MS. KAUFMAN: That's all right with me.

MS. CLARK: Ken, why don't we just take five minutes. Is that okay?

MR. WISEMAN: Yeah. If we can keep it to five minutes that would be great, though.

MS. CLARK: And I don't have an objection to you going next. Does staff? Martha?

MS. DRAPER: This is Elizabeth Draper. Martha stepped out for a second. Hold on. I'll get her.

MS. CLARK: Okay.

MR. WISEMAN: Okay. Why don't we start a five-minute break while we're waiting for Martha to come back.

MS. CLARK: I think that's a smart idea, Ken.

MR. WISEMAN: Thank you. One for the day.

(Break taken.)

EXAMINATION

BY MR. WISEMAN:

Q Okay. Thank you. Ms. Deaton, this is Ken Wiseman. I'm going to ask you some questions on behalf of the South Florida Hospital and Healthcare Association. First, if I could ask, I sent an email with a number of documents attached to it to your counsel yesterday. Do you have those documents with you?

A Yes, I do.

Q Okay. All right. If we could start off, if you could refer to FPL's response to SFHHA Interrogatory No. 39. Do you have that?

A Yes.

Q All right. Now, in this interrogatory, SFHHA asks FPL whether it intends to include in the GBRA costs associated with transmission and/or distribution capital editions. Am I correct that you sponsored the answer to this interrogatory?

A Yes.

Q Now, looking at the third sentence in the answer, you say that those transmission facilities that are required to interconnect and integrate the power plant to an existing transmission network and are approved pursuant to the Florida Power Plant Siting Plant Act are recoverable through the GBRA. Do you see that sentence?

A Yes, I do.

Q I'm interested in the phrase "and integrate the power plant to an existing transmission network." Why that phrase? Do you -- are you referring to network -- transmission network upgrades?

I'm sorry, did you answer the question? Hello?

A Yes. I answered the question yes.

Q Oh, I'm sorry, I didn't -- I didn't hear your answer. So the answer was yes?

A Yes.

Q All right. Now, could you refer to SFHHA Interrogatory No. 41?

A Yes.

Q All right.

A I did not answer this one.

Q So, you know -- well, are you familiar with the two projects that are listed there, the Canaveral and Riviera modernizations?

A Yes, I am.

Q Can you tell me of the $33 million and $132 million that are listed respectively for those two projects, how much of those dollars are associated with transmission network upgrades?

A No, I can't. I didn't sponsor this question. You would have to speak to the transmission witness.

Q All right. And who -- who would that be?

MS. CLARK: You know, Ken, we'd have to find out who sponsored this.

MR. WISEMAN: Well, problem is that in many instances, in fact one of the ones I'm going to ask you about, it was sponsored by a nonwitness. So I need to know which witness, whether it's sponsored or not, is knowledgeable about transmission network upgrades.

MS. CLARK: Okay.

MS. KAUFMAN: If there is -- if Ms. Deaton has that information, that would be helpful.

THE WITNESS: No, I don't.

BY MR. WISEMAN:

Q Okay. All right. Let's -- well, that will shorten this somewhat. Let's go to a different subject. Can you refer to MFR E-14. You did sponsor that MFR, correct?

A Yes.

Q I want to ask you some questions about Attachment 2 to that MFR.

A Okay.

Q You know, I'm sorry, someone is talking and it's kind of distracting, hard to hear. If you could mute your phone, that would be great.

Could you refer to page -- page 2 of

attachment 2? I apologize, not page 2. Page -- page 4 of attachment 2. Do you have that?

A Yes, I do.

Q And I think I -- you did sponsor MFR E-14, correct?

A Yes.

Q All right. Now, do you recall, there was an interrogatory I believe I may have provided it to you, to your counsel -- actually, let's refer to that first. If you could refer to Interrogatory No. 34.

MS. CLARK: Is that South Florida Hospital one, Ken?

MR. WISEMAN: Yes.

MS. CLARK: Okay.

A Yes, they're questioning my unit.

Q And did you sponsor the answer to this interrogatory?

A Yes, I did.

Q All right. So do I understand from your answer to this interrogatory and referring back to attachment 2 to MFR E-14, that the units that are listed on this page are the units for the projected test year ending December 31, 2010, correct?

A The ones that are in the E-14 for the projected test year, and then December 31, 2010 are the projected units for December 31, 2010. We also have an E-14 that's for the projected subsequent year ending 12/31/11.

Q Yes, I understand. And thank you for the clarification. To be clear, I'm talking right now about the 2010 test year only, okay?

A Right.

Q All right. Now, for 2010 test year, and again referring to page 4 of attachment 2, first of all, this is for the GSLD 1 rate schedule and GSLDT-1 rate schedule, correct?

A Yes.

Q Looking at GSLDT-1, the units that are listed there are 18,380. Do you see that?

A Yes, I do.

Q All right. Now, am I correct then that based upon the 2010 units of 18,380, and the current rates that are in effect today of $41.37, the revenues that would be produced would be $760,381?

A That's correct.

Q All right, ma'am. And then if I refer over to the date on the right side of the page, would I be correct that again based on the 2010 projected test year units of 18,380 times the proposed rate of $60.46, that would produce revenues of 1,000,111 -- 111 -- I'm sorry,

$1,111,216, correct?

A Yes. And just to be clear, those are customer -- that's the customer charge and the customer units and the customer revenues for GSLD-1.

Q All right. So if I look down on the right side of the page, there is a number -- it's across from increase, decrease. So would I be correct in saying that that figure, which is $71,266,720, would reflect the amount that FPL anticipates or projects that it would receive in increased revenues under this rate schedule as a result of charging the proposed rates that have been requested by FPL?

A Yes, that's the increase in base revenues for GSLD-1 and GSLDT-1.

Q All right. Now, there are 37 pages in this attachment. If I were to go through each page and add up those increases, would that equal -- again focusing on the 2010 test year, would those increases equal the $1.044 billion increase that Mr. Olivera refers to in his testimony?

A No, they would not.

Q What would be the difference or why is there a difference?

A There would be a difference due to increases in miscellaneous customer revenue.

Q Do you know what the total amount of those other increases would be?

A If you look on MFR E-5 lays out the proposed increases between -- split between -- increases from the sale of electricity and increases in other operating revenue.

Q All right. So if I added all of the increases that are shown here in E-14, Attachment 2 to the increases you just referred to in E-5, would that equal the $1 billion that's referred to by Mr. Olivera?

A The increases on E-5 include the increases on E-14. That's the increases from sales of electricity that I refer to. And you don't have to add them all up. They're shown in I believe schedule E-13a. Yeah E-13a lays out the increase for each rate plan -- each rate schedule.

Q All right. Well, let me try this. Are the --

A The increases, the two increases are $968,206,000 for increases from -- increases in base rates from sales of electricity, and $75,328,000 in increases in other operating revenues. And those add up to $1,000,043,534. Does that help?

Q Yes, that answers my question precisely. That's great. Thank you.

Now, the $968 million figure that you just referred to, is that the number we would get to if we were to add up all of the increases that are shown here in E-14 for the 2010 test year?

A Well, no, because that includes unbilled revenues. So if -- like I said, if you look at E-3 -- I mean, E-13a, it summarizes all of the increases shown in E-14.

Q All right. Well --

A That's 900 and --

Q Well, I understand. Let me ask another question related. Are the units that you've projected across all rate schedules for the 2010 test year greater than the units were for the historic test year that ended December 31, 2008?

A The units that I projected for all rate schedules are this -- consistent with the load forecast produced by witness Morley. And, in fact, it's an allocation of that load -- that forecast. The customer -- number of customer accounts by revenue class from her forecast are split into by the -- by rate schedule in my forecast. Her sales by revenue class are split into the sales by rate schedule in my forecast.

Q Well, under the -- are you familiar with the 2005 rate case settlement?

A Yes.

Q All right. Were there units -- there were units used in connection with that settlement in order to establish rates, correct?

A I -- I don't know what the units were in 2005.

Q You -- you -- you don't -- do you know whether they were lower than the units that you've projected for the 2010 test year?

A I don't know that. All I know is that I -- my forecast has to reflect the load forecast produced by the load forecasting group of FPL witness Morley.

Q And you don't have any information about how those units that you've used compare to the units used to set rates in connection with the 2005 rate case?

A I have not looked at the units in 2005 compared to these units. I have looked at the forecast versus actual for 2009.

Q How do they relate to the units that were forecast for 2009, actually -- I'm sorry, the actual for 2009?

A The forecast is within one -- less than one percent.

Q Higher or lower?

A Forecast is higher.

Q Okay. Give me a second. I'm trying to shift through papers to move this along quickly. Could you refer to FPL's response to SFHHA POD No. 35. Okay. That document, was that POD response sponsored by you?

A No, it was not.

Q Do you know which witness sponsored that POD response?

A I believe that's witness Ender.

Q All right. Thank you. Now if I could refer you to FPL's responses to SFHHA POD request No. 17 and No. 18.

A Okay.

Q Did you sponsor the responses to those two requests?

A No.

Q Do you know who -- which witness sponsored those response?

A Not right offhand. I can probably find out.

Q Okay. Let's just move forward. I only have a few more questions. I want to go over something Ms. Kaufman covered with you a little bit. Could you refer to page 2 of your rebuttal testimony?

A Okay.

Q I'm sorry, give me one second. I'm trying to go through these. Here it is. Sorry.

All right. I believe you say there, you testified earlier, that your Exhibit RBD-9 demonstrates that on average, customers are projected to see an overall decrease in their total bill of January 2010; is that correct?

A Yes. Yes.

Q All right. Now, can you refer to your exhibit RBD-9?

A Okay.

Q Now, I want to make sure first of all that we're all on the same page. Can you define what you mean by the term in the title of this exhibit "rule of thumb limits"?

A That's described in my testimony as the Commission's one-and-a-half times.

Q Okay. And that -- you discussed that earlier with Ms. Kaufman, right?

A I don't think she asked about my characterization --

Q No I was referring to the one-and-a-half rule.

A Yes.

Q Now, if I understand this schedule, again referring to Exhibit RBD-9, what you're suggesting is that rates will go down in 2010 as compared to the rates that are in effect on your system today; is that correct?

A Overall revenues will decrease.

Q And rate --

A Current rates under 2010 units that we discussed earlier versus proposed rates and the estimated fuel and other clause factors in 2010.

Q Is the fuel factor, the fuel clause factor, is that the major factor that's driving the reduction that you're referring to in your testimony?

A I would say it's the primary. In fact, I don't know if it's the major one. I'm not sure. Let me look at something here.

Q Sure.

A I would say it would be the major factor.

Q All right. Now, on the same exhibit on page 1, you're reflecting a combined total impact of $506,528,633. Do you see that figure?

A I'm sorry, which figure?

Q It's under combined impacts, the total figure is $506,528,633.

A Right.

Q Is that correct?

A That's correct.

Q All right. And that's the -- the total of the reduced revenues that you're projecting; is that right?

A For these -- there's some minor sliding classes that are noted in the footnote that aren't included in this total bill -- total number.

Q All right. Well, of that total number, how much of that impact is driven by the fuel factor?

A I would have to say the majority of it.

Q Now, do you know, is the average fuel price on -- that you've used for your projections, is that correct based upon the price of natural gas?

A The fuel price -- it was total system fuel prices. So, you know, natural gas, nuclear, coal. You know, everything that goes into our system.

Q Do you know on a percentage basis what percent of your fuel costs reflect the price of natural gas?

A I did it recently. It's -- I don't remember exactly the number. It's in the 70 to perhaps 80 percent range.

Q All right. During the hearing, would you be the appropriate witness or an appropriate witness to discuss natural gas prices with?

A No, I'm not the fuel witness.

Q So that's not something that you do in -- you don't monitor natural gas prices in the regular course of your duties; is that correct my understanding?

A Monitor how? I do see NYMEX published data. I don't monitor it. You know, that's not part of my job duties.

Q And do you know, is there a witness who does as part of his or her job duties monitor natural gas prices on a regular basis?

A Not in this docket.

Q All right. Can you refer to page 2 of your rebuttal at line 16 through 19?

A Okay.

Q You say there under -- "under proposals offered by intervenors, these subsidies will grow even larger, $65 million to over $190 million as noted in SJB-10 and SJB-9 from SFHHA witness Baron)." Can you tell me how you calculated the $65 million and the $190 million figures?

A Yes.

MS. CLARK: Ken, just give us a minute. We're looking for that.

MR. WISEMAN: All right. Great.

A Oh. The $65 million is shown on the Exhibit 10. It's the allocation of the shortfall that they're reallocating $65 million to other customers.

Q Okay.

A And the 190 million is the difference between the Exhibit 9, the -- okay. So the rate classes that will receive the adjusted shortfall on Exhibit 9 between -- this is residential, general service and general service demand, I believe. Yeah, residential and general services are the two major ones. And the difference between the revenue allocated under Exhibit 9 and that allocated are cost of service.

Q All right. All right. Could you refer to page 12 of your rebuttal? At lines 13 through 16, you say, "Going forward, FPL's rate request and continuation of the GBRA will allow continued investments in efficiency improvements, which are expected to yield savings of $1 billion per year by 2014." Did you --

A I'm sorry, I didn't catch the page number.

Q I'm sorry, page 12.

A Okay. Page 12 what? Okay, yes.

Q And I'd like to know, how did you derive your $1 billion savings figure?

A In 2014, the cumulative impact of the efficiency savings, the heat rate difference under the current -- with consistent conditions in 2002 as the baseline and efficiency improvements expected in 2014 and the projected price of fuel, and those were improvements to the fossil units, the oil and gas units. We did not --

Q You're referring to the projected prices of fuel, you're referring to natural gas -- are you -- are you referring to oil as well?

A Yes.

Q I don't know if you have oil-fired units.

A We do, and yes, it does.

Q So it would be predominately natural gas then, correct?

A Correct.

Q Okay. Could you refer to page 13 of your testimony at -- starting on line 11. There's a question that runs over to the top of page 14 that is --

MS. CLARK: Ken, we're not following, what page?

MR. WISEMAN: Page 13, starting at line 11.

MS. CLARK: Okay.

MR. WISEMAN: There's a discussion that carries over to page 14, line 2 concerning Mr. Collin's proposal -- or Mr. Collin's testimony that the -- that the GBRA tariff does not -- I'm sorry, that there is no GBRA tariff that's included in FPL's filing.

A Yes, I'm there.

BY MR. WISEMAN:

Q Okay. Possibly the last question. Is FPL opposed to putting into effect a tariff that would describe the mechanics of the GBRA mechanism we're proposing?

A We certainly are not.
Q You're not opposed?
A No.
Q Okay. Give me just one second, if you would.
MR. WISEMAN: Ms. Deaton, thank you very much. That answers all of my questions. And Martha, thank you for letting me go forward. I very much appreciate it.
MS. BROWN: Sure. Have a good flight.
MR. WISEMAN: Thank you. Take care everyone.
MS. BROWN: Susan, are we ready to proceed?
MS. CLARK: Yeah. Martha, if you only have a couple of questions --
MS. BROWN: Well, it's a little more than a couple but I don't think it will be more than a half hour at the most.
MS. CLARK: Okay.

EXAMINATION

BY MS. BROWN:
Q I guess it's evening. Good evening, Ms. Deaton. I want to talk briefly about time of use rates.
A Yes, ma'am.
Q Could you give us a brief explanation of how FPL designs its time of use rates?

A The design is consistent with Commission precedent in setting time of use rates. We establish the demand and energy -- I mean, excuse me, the customer and demand charge based on the cost. And the energy charges are split into the on-peak and off-peak such that we produce a revenue neutral rate at the class on-peak split, average on- and off-peak split.

Q Okay. Does this method differ by rate class?

A No.

Q Okay.

A Well, except for --

Q Go ahead.

A High load factor time of use rate I suppose is a little different.

Q Can you explain that difference?

A The revenue neutrality is based on total revenues between the rates and not just the energy revenues. But it's really a difference without a distinction since the general service demand rates are set the same.

MS. CLARK: Hang on just a minute, Martha.

A I meant the distinction without a difference.

Q That's what I heard you say.

Let's see. Witness Klepper who is testifying for AFFIRM states on page 8 of his testimony that the

GSDT-1 rate is badly structured for most customers and results in total costs that exceed the total costs that would be realized under the GSD-1 rate. Do you agree with that statement and could you explain under what circumstances a customer could save under the GSDT-1 rate when compared to the GSD-1 rate? And I can break that apart if the question is too complicated.

MS. CLARK: I think we're having trouble understanding that, Martha. So do you want to walk us through it?

A Or if you can point me to the testimony.

MS. CLARK: Or pages of the testimony, that would be helpful.

Q Page 8. Ms. Deaton, if you look at lines 5 through 7 --

A I see that now.

Q How do you respond to that statement?

A The GSDT customers can save by improving on the class average percentage of kilowatt hours on-peak. That's how the rates are designed.

Q Okay.

A -- class average to the extent they improve rate base.

Q Okay. Do time of use rates provide price signals that provide an incentive to customers to control their usage?

A Yes, they do.

Q And could you just give us sort of a general reason why?

MS. CLARK: Martha, could you clarify that? You said to improve their usage. What do you mean by that?

MS. BROWN: To control their usage, to perhaps limit their usage or control or shift it from one time to another.

MS. CLARK: I think we took it to mean shifting the usage off-peak.

MS. BROWN: Yes.

MS. CLARK: Is that what you mean?

MS. BROWN: Yes.

A Yes, we do, because the energy charges are differentiated between on-peak and off-peak. The more the customer uses in the off-peak hours versus the on-peak they are able to save. And it's not just the base energy charges but also the fuel charges also are differentiated so that they save -- are able to save more.

Q Okay. Thank you. With respect to high load factor time of use rate, can you describe how FPL designed that rate? And you can start with the demand charges. Do you want more follow-up questions?

A No, I'm just -- I'm turning to the page. If you turn to page 17 of Attachment 2 to E-14.

Q Okay. Just give us a minute. Okay, we're there.

A As you can see on page 17, the demand cost for the various rate -- otherwise applicable rates for the HLFT classes is the GSD-1, GSLD-1 and GSLD-2. Those costs are summed up for those three classes, and the base demand charge includes 50 percent of the distribution costs that you see there divided by the kilowatt billing unit. And the on-peak demand charge includes production transmission and the other 50 percent are distribution costs divided by the units.

So that's where you develop the $2.20 per kW base demand charge and the $9.77 on-peak demand charge.

Q Okay. Thank you. Can you explain how you set the on-peak and off-peak nonfuel energy charges?

A Yes, if we can just look at page 16 for HLFT-3 -- it's some of the same for all three HLFT rates. The revenue that would be produced under the otherwise applicable rate -- and for HLT-3 that would be the GSLD-2 rate based on a 70 percent load factor and 27 percent on-peak average kilowatt hours.

Q We see it. Which type of --

A That revenue is calculated and summed up. And then the revenue produced from the customer charge and the various demand charges is subtracted to produce a net energy revenue that we need to balance to. So it would be $11,126,000. We initially set the off-peak rate at unit cost and the on-peak rate at total cost including demand costs and energy costs together. We initially set them there, and then we make adjustments to -- equal adjustments to each on-peak and off-peak rate to achieve the revenue neutrality of the $11,126,000.

Q Okay. Which type of customer typically takes service under the HLFT rate?

A Well, the customers under HLFT -- well, it depends on the size of the customer. But we have Publix, customers like grocery stores that are operating pretty much 24 hours or close to it, large hospitals. A customer that is pretty much -- you know, pretty close to a 24-hour operation.

Q And what is the average load factor for HLFT customers?

A I believe it's 80 percent.

Q Okay. FIPUG in its prehearing statement states that HLFT, the HLFT rate should be designed for customers with load factors above 70 percent. Do you agree with this statement?

A We had set it at 70 percent, so yes, we agree.

Q Okay. At the Fort Myers service hearing, I don't know whether -- you probably weren't there. But three customers suggested that FPL allow them to prepay their electric bills. Has FPL given any thought to that suggestion?

A I'm aware of the issue and I'm aware that FPL has some -- witness Santos is presenting our position on that issue.

Q Okay. Well we'll ask him the rest of those questions then?

MS. CLARK: Her, Martha, her.

MS. BROWN: I'm sorry, her.

THE WITNESS: I'm a him too.

MS. CLARK: Yes, you are, to some people.

BY MS. BROWN:

Q On page 16 of your direct testimony at lines 5 and 6 where you state that --

A Wait, Martha, let me get to the page.

Q Oh, okay.

A I'm there.

Q You state there that FPL is proposing to close the relamping option on SL-1 and OL-1 tariffs for new streetlight installations, correct?

A That's correct.

Q What service exactly is FPL providing under that relamping option presently? Can you describe it?

A My understanding is that relamping involves just putting in new bulbs.

Q Okay. If FPL stops relamping -- the relamping option for new customers, who -- who else would the customers turn to to relamp the streetlights?

A They would -- they could contract, I suppose.

Q They'd have to hire an electric engineer? They wouldn't -- could they do it themselves?

MS. CLARK: Martha, can we just take a minute?

MS. BROWN: Sure.

MS. CLARK: Thank you, Martha.

MS. BROWN: Sure.

BY MS. BROWN:

Q Would it be possible for -- do you know if it would be possible for a customer to change the lights themselves in streetlights?

A Martha, I'm not -- I'm not intimately familiar with what all is involved with that. I think actually the distribution witness Spoor is sponsoring our position on this, and he would have the information, more detailed information on that.

Q Okay. We'll save our questions.

Now, do you have FPL's response to Staff's third set of interrogatories with you? That's the calculation of --

A Well, the two that you asked for.

Q Yes, I asked --

A Nine and 10? I have 9 and 10.

Q First to 9. That's the calculation of the transformer ownership credit.

A Correct.

Q Can you explain what the costs shown in line A represent and provide the source information for that, those costs?

A As testified, E-6b is the distribution secondary transformer cost.

Q E-6b? Okay. Can you hold on just a sec?

(Off the record.)

Q Which page is it?

A Five --

Q Say again? Can you repeat that?

A Five, line 15.

Q Okay. Hold on just a second.

Ms. Deaton, in your response to the interrogatory, subsection A for the 2010 TR rider says distribution secondary transformer, and there's a cite to E-6b, and it says 239,372,288.

A Yes. This is not exactly the amount on 6b line 15 that was filed. This amount was calculated before the E-6b was finalized. And there's a slight variance.

Q So which -- which number do we use?

A I don't think it matters. It doesn't move the rate.

Q Well, could you tell us anyway?

A You know, it probably should have been updated to the 239,366.

Q Okay.

MS. BROWN: Excuse us just a minute.

(Off the record.)

BY MS. BROWN:

Q Thank you for your patience, Ms. Deaton. Is that number shown in line A or line B subject to change based on any Commission vote in this proceeding?

A Well, yes, it's a revenue requirement. So if the return or other things are changed, then that would lower.

Q So the transformer ownership discount should be recalculated based on the Commission's ultimate vote in the case?

A Yeah, it should reflect the final outcome.

Q Okay. Now, if you'll look at 10, your response to Interrogatory 10, the calculations of the monthly fixed carrying charge rate to be applied to the cost of customer requested distribution equipment.

A Yes.

Q I want to go over some of the inputs and assumptions used in the calculation of the fixed carrying charge rate and understand which ones are subject to a vote by the Commission.

Would you agree that cost of capital as shown on page 2 of 12 of Attachment 1 is subject to a Commission vote and could therefore change from what is shown in the attachment?

A Yes.

Q Do you agree that the -- is the depreciation as shown on page 1 of 12 of Attachment 1 subject to a Commission vote?

A We use a current depreciation expense rate, not those that were proposed.

Q Well, the Commission is going to rule on the proposed depreciation rates in this case so wouldn't that then --

A Yes.

Q -- change -- okay. Are the distribution O&M expenses shown on page 7 of 12 subject to change?

MS. CLARK: Give us just a minute.

MS. BROWN: Sure.

MS. CLARK: Martha, go ahead.

BY MS. BROWN:

Q Okay. What was the answer?

A I said I suppose it could.

Q Okay. Are there any other inputs for the monthly fixed carrying charge rate that could change based on the Commission's vote in the case?

A Yes.

Q What are they?

A Pretty much all of the input.

Q Okay.

MS. CLARK: Martha, if we could, if we can -- we'll say that subject to check and we'll check them and let you know for sure.

MS. BROWN: Okay. And this -- all right, that would be good because we want to know what -- actually I suppose we could do a -- no, let's not do an exhibit. Just -- just call me.

MS. CLARK: Martha, let me ask her. If we are looking at the attachment to the interrogatory and we are looking at page 1, are those the factors you want us to indicate whether they would change depending on the vote in this case?

MS. BROWN: Well, yes. Actual -- but then if you look on page 7, there are distribution O&M expenses on that page. So I guess it's really just a review of what's on that attachment and then whether they would change subject to Commission vote. And the bottom line is we were hoping you would agree to revise the calculation of the monthly fixed carrying charge based on the Commission vote on any of the inputs in the calculation.

MS. CLARK: I almost think that goes without saying. When we -- when the Commission votes, we -- we turn in the new rates consistent with the vote.

MS. BROWN: We thought so too.

MS. CLARK: Martha, let me ask you this. Does that mean for these two -- I really don't know that that is of the prehearing order, but I believe the Interrogatory 9 and 10 are the subject of two issues. Are we looking to maybe stipulate to them? These factors would change depending on the vote or --

MS. BROWN: Yes. That's where we're coming from. Hold on just a minute.

(Off the record.)

MS. BROWN: Susan, there are four or five issues that we may be able to stipulate as to methodology. I don't know that we're there yet.

MS. CLARK: Okay. Okay. But these two at least, the transformer credit and the -- and the fixed monthly charge for distribution --

MS. BROWN: We, we hope so. You know, the time crunch is pretty awful. And how much agreement we can get before Monday, I'm not sure. But at least that's the way we're -- we're coming at it.

MS. CLARK: Okay. That sounds good. I know when I looked at them I thought, well, you know, these are -- in my own mind I thought these were kind of fall-out issues.

MS. BROWN: Yeah.

BY MS. BROWN:

Q We have a couple of questions about the CDR credit, the commercial industrial demand reduction rider. Ms. Deaton, that's in tariff sheets 8.680 through 8.685. Are you there? Are you familiar with those?

A I'm there.

Q Okay. You'd agree, wouldn't you, that this rate schedule provides for a credit to customers if they are willing to interrupt their normal load or run back up generation when FPL needs the capacity?

A Yes. My understanding is that this is a credit available to customers who are willing to designate at least 200 kilowatts of load as nonfirm.

Q And this is a load control program or option, right? That's the way we usually characterize it.

A That's right.

Q Are the credits under the CDR normally set in a rate case? Ms. Deaton, if I might refresh your memory. I think earlier you indicated that the credits under the CDR were set in the goals docket.

A They are in -- the CDR credit was set at a level in order to be cost-effective, pass the rate impact measure test.

Q So that's where you believe the credits are usually set, not in the rate case?

A Yes, that's correct.

Q Okay. Now, there are three additional tariff sheets we want to briefly talk about, sheets 8.207 through 8.209, and they're the residential load management program, FPL's on call program.

A I'm familiar with those. I did not bring them with me. We're trying to pull them up.

Q Oh, okay. Well, I'm not sure these questions really require that you look at them. Let me ask them and then if you need to, you can look at them.

Would you agree that the CDR for commercial and industrial customers, the on-call program, offers residential customers a credit in exchange for allowing FPL to interrupt their load when FPL needs the capacity?

A That's my understanding, yes.

Q And is it -- where in your mind are the credits for the on-call program set?

A DSM programs docket.

Q Why are load management credits set in the goals docket?

A It's my understanding that these are conservation programs and conservation programs are required to meet cost-effectiveness tests. And these provide demand savings for the company and goals -- the Commission has goals for demand reduction. That's where those programs and goals are addressed.

Q Okay. And would you agree that setting the credit for one load management program in isolation, say the CDR credit, could have a detrimental impact on all other load management programs?

A If the credit was set above the cost-effective level and did not pass the rate impact measure test, then yes, it would have an impact on the other customers' rates.

Q All right. Thank you. Now to just a few questions on the GBRA. In your direct testimony beginning on page 20, you discuss this. And on page 21, starting at line 8, you mention the GBRA experience with Turkey Point unit 5. Now that -- do you need to get there or will you take my word for it?

A I'm there.

Q Okay. Now that FPL has initiated a rate case, is FPL proposing that the GBRA factor for Turkey Point Unit 5 be rolled into base rates rather than continuing in a cost recovery clause?

A There is not a cost recovery -- the one-time credit for the customers for the reduction due to their reduced cost of the Turkey Point 5 was made through the capacity clause this year. And I believe that to the extent that the estimated amounts for the end of last year were either higher or lower than actuals, that those were being adjusted in this year's capacity clause factor, the filing that's being filed today. So there would be no further clause impact for Turkey Point 5.

Q Okay. If the Commission were to approve continuation of the GBRA, will the GBRA factors for the 3 West County units, Cape Canaveral and Riviera eventually be rolled into base rates during the subsequent rate case?

A That's correct.

Q Okay. On page 22 of your testimony at line 11 you state that FPL's rate proposals and the GBRA, quote, send the appropriate price signals to customers. What -- what are those price signals and why are they appropriate?

A For instance, with the GBRA, the fuel costs are reduced to reflect the efficiencies improvements caused by the plant and the GBRA adjusted base rates include the fixes costs associated with those lower fuel cost savings.

MS. BROWN: Excuse me just Gist.

(Off the record.)

MS. CLARK: Martha, this is Susan. I'm just figuring out how much more time you have because if you have even a little bit more, we probably need to take a break.

MS. BROWN: Well, let me see. I have ten more questions.

MS. CLARK: Could we take just a five-minute break?

MS. BROWN: Sure.

(Break taken.)

BY MS. BROWN:

Q Now, it's my understanding that the GBRA allows FP&L to begin recouping the capital cost of the new generating plant from customers much quicker than would otherwise occur. Is that your understanding too?

MS. CLARK: I'm going to object to that question, use of the term "much quicker." Go ahead and answer.

A My understanding is it allows FPL to increase base rate consistent with the revenue requirements of the plant that were approved in a need determination process at the time the plant goes in service. If FPL didn't have the GBRA, I would think there's other options to having limited rate cases or other rate cases to have the plants in rate base.

Q But it does happen outside of a normal full base rate proceeding, correct?

A Martha, could you be clear? What happens outside? Are you talking about the GBRA?

Q Recouping the capital cost of the GBRA happens outside of a full base rate proceeding?

A Yes.

Q Okay. So do you have an idea of how much sooner customers begin paying for a new generating plant with the GBRA in place in contrast to traditional rate recovery methods?

A I don't know how -- you know, how we could time, you know, rate increases or -- for our specific power plants in order to have the same effective date. I suppose that would be possible.

Q All right. Now, do you have FPL's response to staff's sixth set of interrogatories No. 70, including a spreadsheet entitled New Plant Recovery Comparison?

A I have that but I did not sponsor this.

Q Okay. Well, who did?

A I'm looking it up. Witness Ousdahl.

MS. CLARK: Did you hear that, Martha?

MS. BROWN: Yes, I did. Thanks.

If you give us two seconds, we'll look over the remaining questions and see if we can cut some down.

(Off the record.)

BY MS. BROWN:

Q Okay. I think we have really basically one more question. Staff's sixth set of interrogatories No. 68, this is a response you prepared, correct?

A I have 69 in front of me. Hang on. Did I sponsor this?

Q Okay. And in your answer you state that the projected percentage of the total bill for a standard thousand kilowatt hour or residential use, that -- hold on just a minute.

(Off the record.)

Q Okay. I'm going to try this one again. Your answer states, "The projected percentage of the total bill for a standard thousand kilowatt hour or residential use that base revenues will make up without the continuation of the GBRA has not been projected as FPL proposes to continue the GBRA." We would like FPL to project this amount, assuming that the Commission does not approve continuation of the GBRA. Are you following me?

A Into what time period?

MS. BROWN: Let's go off the record a minute so Steve can discuss this with you.

MS. CLARK: All right.

(Off the record.)

BY MS. BROWN:

Q Ms. Deaton, we're sorry. We're going to go back on the record now. Now can you say that again?

A What I said was that in 2011, if the rates are unchanged from the request we've made for the increase in 2011 for the subsequent year increase, it would be 47 percent for the entire year.

If, however, we -- if GBRA is not continued and we seek to include it in base rates the West County 3 plant sometime in 2011, then that percentage would change.

Q Well, could you make that calculation for us and provide it as a late-filed exhibit?

A I could not make the calculation. Maybe a rough estimate. But we don't have the forecast that we would use in 2011 to actually determine what the rate would be.

Q We'll take the rough estimate, and I think that's Late-Filed Exhibit 1.

MS. CLARK: Yeah, I think so too. And so it would be a rough -- or --

THE WITNESS: An estimate of the increase or the percentage of base revenues.

MS. BROWN: Without GB --

MS. KAUFMAN: Do you want to call it Late-Filed Exhibit 2 since we already have an Exhibit 1?

MS. CLARK: Vicki, I thought we answered your question with -- oh, you're right. I'm sorry, Vicki. The FIPUG is 1. You are absolutely correct. Okay.

MS. BROWN: Thank you, Vicki. So it will be Late-Filed Exhibit 2 and it will be -- help me out with this, Ms. Deaton.

THE WITNESS: Estimate of the base revenues to total bill.

(Late-Filed Exhibit No. 2 was identified.)

MS. BROWN: Without GBRA.

THE WITNESS: Thousand kilowatt hour -- per thousand kilowatt hour residential bill assuming GBRA is not continued.

MS. BROWN: Yes, that would be great.

MS. CHRISTENSEN: Hi, this is Patty Christensen. I just -- can I ask for a clarification on the witness's answer? She had said something about getting in the Green River plant in 2011 and I wasn't quite sure what she meant by that. Since you guys are seeking to get essentially 2010 and 2011 in, are you assuming that it would be coming in in the projected 2011 test year? I'm just not clear on what the answer was. Or another limited proceeding type?

MS. CLARK: What unit were you talking about? We were talking -- we're not clear what you're asking about, Patty.

MS. CHRISTENSEN: I'm sorry. I just had heard -- I thought I heard the witness say that it would be 47 percent for the entire year for 2011 with the GBRA but she wasn't certain what it would be without the GBRA if you didn't count the plant coming demand. And I wasn't quite sure what she meant by that.

MS. CLARK: That's not what she said.

MS. CHRISTENSEN: Okay. Maybe I just misunderstood her answer. Could she go over that again just because I'm definitely not clear on what she was talking to.

MS. CLARK: Why don't we have the court reporter read it back.

(Requested portion read by reporter.)

MS. BROWN: Okay. Well, that concludes our questions. And Ms. Deaton, thank you very much for your time.

MS. CLARK: And Martha, before we finish, I would like to ask the court reporter to, you know, email me the transcript. I understand --

MS. ALEXANDER: This is Stephanie Alexander from AFFIRM. I'm sorry, I just have two requests.

MS. CLARK: Well, Stephanie, I don't see that you've noticed this for deposition.

MS. ALEXANDER: I understand, but that's usually not an issue. I only have two requests for information that I understand that you -- FP&L has readily available.

MS. CLARK: Stephanie, why don't you go ahead and give me the questions and we'll -- let me hear the answers I'll -- I mean let me hear the questions.

MS. ALEXANDER: Well, it's actually a request for more information. AFFIRM would like the hourly load shifts for FPL's monthly peak days in 2007 and 2008, and it also would like some information with respect to the purchase power that FPL purchased in 2008. We just want to know the total number of hours and the amount that that purchase power cost FPL.

MS. CLARK: Well, Stephanie, I have to say that those are things that were appropriately asked -- would be appropriately asked in discovery and the discovery deadline is over. And you --

MS. ALEXANDER: It's not actually over, it's over Friday, first of all. Second of all, we intend to ask you all about that at the hearing so I was just trying to get the information. And we seem to have been cooperative with every other party, and this is important information. And we got in the case late, and we also thought we were going to get this information informally through Mr. Romig, but that turned out not to be the case. So that's really where we are.

Would you like me to have the staff ask you for it?

MS. CLARK: Stephanie, I can touch base with Mr. Romig on that. But other parties noticed the deposition, they did a cross-notice for the deposition, and you AFFIRM did not.

MS. ALEXANDER: Right. Normally that's not a preclusion in any way.

MS. BROWN: Well, I agree with you to some extent. We piggyback -- allow parties to piggyback off of our deposition but where they have been cross-noticed. Other parties get the message that they should do the cross-notice as well.

Perhaps you and Ms. Clark can discuss this further and see if there's some accommodation that could be made.

MS. CLARK: I think --

MS. BROWN: But the court reporter is tired and so am I. And I think we need to move this along.

MS. CHRISTENSEN: And Martha, I don't want to be more difficult, and I know the court reporter read back Ms. Deaton's answer when she gave it regarding the plant. I just -- I'm still not clear what her answer was about including the plant in

2011 and how that would change it.

MS. BROWN: Well, Patty, why don't you -- why don't you ask for the deposition and then you'll have a chance to look at it. Maybe if you see it in print it will make more sense. And if it doesn't, you can ask a question about it at the hearing.

MS. CHRISTENSEN: Well, I think it would probably -- I mean, if she can clarify it, it would be a good opportunity for her to do it here. And I hope we aren't going to stand on ceremony of process to clarify her response here. I mean, I just need her to explain what she meant and what she said --

MS. CLARK: I think it is clear on the record. Let me do this. I think we should end the deposition now. With regard to the clarification you think you might need, why don't you give me a call. And I can also offer that to -- is it Stephanie from AFFIRM? I'm sorry.

MS. ALEXANDER: Yes.

MS. CLARK: Let me give you my phone number and you can give me that request for information and I'll check with Mr. Romig.

MS. ALEXANDER: I mean, and I appreciate it.

But I just want to note my objection. Really I think she could probably clarify it here today in one sentence just to explain what she meant further. And it may -- if I don't understand it, then I'll let it go. But I'd like to get the opportunity for her to clarify her response further. Because she talks about with the GBRA it's going to be 47 percent and she's unclear that without --

MS. CLARK: That's not what she said, Patty. If you listen to the answer to the question, that is not what she said.

MS. BROWN: But -- but regardless, Patty, you'll have the opportunity to ask her to clarify at the hearing.

MS. CHRISTENSEN: Well, I mean, I don't want --

MS. BROWN: Please.

MS. CHRISTENSEN: I really just don't want to waste hearing time if I can get a clarification to it now. That's all I'm trying to do. Since we've got a lot of witnesses and only nine days of hearing.

MS. BROWN: Well, she tried to give you the clarification but it didn't clarify things for you.

MS. CHRISTENSEN: No, you re-read the answer back to me and that's why I said, I -- I mean, if I could -- does she have any more detail to that question?

MS. CLARK: Patty, I'll just let the court reporter read the question again and I will ask Renae to answer it one more time.

MS. CHRISTENSEN: I appreciate it and then I'll let it be. Thank you.

(Requested portion read by reporter.)

MS. CLARK: Now Renae is going to respond to that.

THE WITNESS: FPL does not change base rates assuming the request is granted and base rates are as we have -- you know, proposed them to be in January of 2011, then the percentage -- and assuming the fuel factors and other cost factors are the same, the percentage shown as 47 percent will not change throughout the year of 2011 if -- however, if FPL seeks to include in rates the West County 3 unit sometime in 2011, we would -- that factor would change.

MS. CLARK: And that's what we're going to provide in a late-filed exhibit, a rough estimate of that.

MS. BROWN: Okay. Well, thank you all very much. I think staff is through with their questions and I guess we're done.

MS. KAUFMAN: Just one more thing -- and this can be off the record, if that's all right with Susan.

(Deposition concluded.)

* * *

CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, LORI DEZELL, Registered Professional Reporter, certify that the foregoing proceedings were taken before me at the time and place therein designated; that my shorthand notes were thereafter translated under my supervision; and the foregoing pages numbered 1 through 96 are a true and correct record of the aforesaid proceedings.

I further certify that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 21st day of August, 2009.

____

LORI DEZELL, RPR, CCR
Notary Public
2894-A Remington Green Lane
Tallahassee, Florida 32308
1-800-934-9090
850-878-2221

ERRATA SHEET

I have read the transcript of my deposition, pages 1 through 97, and hereby subscribe to same, including any corrections and/or amendments listed below.

_______________________ _______________________

DATE (RENAE B. DEATON)

(DOCKET 080677)

Page/Line	Correction or Amendment	Reason for Change

Reporter: Lori Dezell 8/20/09

ERRATA SHEET Page 1 of 2

I have read the transcript of my deposition, pages 1 through 97, and hereby subscribe to same, including any corrections and/or amendments listed below.

8-24-09
DATE

R B Deaton
(RENAE B. DEATON

(DOCKET 080677)

Page/Line	Correction or Amendment	Reason for Change
7/7	Replace employee with employer	Wrong word
15/5	Replace decrease with increases	Wrong word
15/5	Delete unusual	Wrong word
31/21	Replace HSLT with HLFT	Typo
33/8	Replace GSD-DT with GSDT	Typo
37/7	Replace officially with initially	Wrong word
37/15	Replace interim with iterative	Wrong word
38/1	Replace HSLT with HLFT	Typo
38/12	Replace HLT-1 with HLFT-1	Typo
38/12	Replace HLT-2 with HLFT-2	Typo
38/13	Replace HLT-3 with HLFT-3	Typo
39/5	Replace HLST with HLFT	Typo
39/6	Replace HLST with HLFT	Typo
39/20	Replace HLST with HLFT	Typo
40/7	Replace HLST with HLFT	Typo
40/9	Replace HLST WITH HLFT	Typo
40/15	Replace HLST with HLFT	Typo
40/23	Replace HLST with HLFT	Typo
41/9	Replace HLST with HLFT	Typo
43/22	Replace GSLD with GSLDT	Typo
43/22	Replace HSLT with HLFT	Typo
44/16	Replace a with 5	Wrong word
55/25	Replace and then with ended	Wrong word
57/25	Add service between customer revenue	Word omitted
58/22	Replace $1,000,043,534 with $1,043,534,000	Typo
63/24	Replace sliding with lighting	Wrong word
66/4	Replace are with in our	Wrong word
66/18	Replace consistent with efficiency	Wrong word
72/22	Replace HLT with HLFT	Typo
72/14	Replace are with of	Wrong word
72/22	Replace HLT with HLFT	Typo

Reporter: Lori Dezell

ACCURATE STENOTYPE REPORTERS, INC.

ERRATA SHEET Page 2 of 2

(DOCKET 080677)

Page/Line	Correction or Amendment	Reason for Change
85/7	Add: Because they reflect our costs.	Sentence omitted
85/9	Replace adjusted with adjusts	Typo
85/9	Add to after base rates`	Word omitted
85/10	Replace fixes to fixed	Typo
87/20	Replace Did I to I did	Typo
87/21	Replace ? with .	Typo
87/24	Replace or with of	Wrong word
96/13	Add If in front of FPL	Word omitted

Reporter: Lori Dezell

ACCURATE STENOTYPE REPORTERS, INC.

Comparison of Base Rate Bills Between
FPL's Proposed GSLDT-2 and HLFT-3 Rates

Line	Description	GSLDT-2	HLFT-3
	Source:	E-13c	
1	Accounts	$221.27	$221.27
2	kW Maximum		$2.20
3	kW On-Peak	$10.45	$9.77
4	kWh On-Peak	$0.02371	$0.02080
5	kWh Off-Peak	$0.00954	$0.00743

	Typical Bills	Load Factor	kW On-Peak	Maximum kW	Total Energy	On-Peak Energy	Off-Peak Energy	GSLDT-2 Cost	HLFT-3 Cost	GSLDT-2 vs. HLFT-3 Cost
6	70% Load Factor	70%	10,000	10,000	5,110,000	1,331,000	3,779,000	$172,331	$175,684	-$3,353
7	80% Load Factor	80%	10,000	10,000	5,840,000	1,521,000	4,319,000	$181,987	$183,648	-$1,661
8	90% Load Factor	90%	10,000	10,000	6,570,000	1,712,000	4,858,000	$191,658	$191,626	$32

		GSLDT-2 Cost			HLFT-3 Cost		
	70% Load Factor	Rate	Units	Cost	Rate	Units	Cost
7	Accounts	$221.27	1	$221.27	$221.27	1	$221.27
8	kW Maximum				$2.20	10,000	$22,000.00
9	kW On-Peak	$10.45	10,000	$104,500.00	$9.77	10,000	$97,700.00
10	kWh On-Peak	$0.02371	1,331,000	$31,558.01	$0.02	1,331,000	$27,684.80
11	kWh Off-Peak	$0.00954	3,779,000	$36,051.66	$0.01	3,779,000	$28,077.97
12	Total Cost			$172,330.94			$175,684.04

Docket No. 080677-EI
Estimate of the Percentage of base revenues to total bill for 1,000 kWh residential bill assuming that GBRA is not continued in 2011
Late-Filed Exhibit No. 2

2011 1000 kWh bill estimate

		per Exhibit RBD-2[1][2]		Estimated with WCEC-3[2]	
	Bill Component	Amount	% of Total Bill	Amount	% of Total Bill
Line No.	(a)	(b)	(c)	(d)	(e)
1	Base	$53.87	47.2%	$55.71 [3]	48.0%
2	Fuel	$41.96 [4]	36.8%	$41.96 [4]	36.2%
3	Other Clauses & GRT	$18.31	16.0%	$18.36 [5]	15.8%
4	Total Bill	$114.14		$116.03	

[1] RBD-2 updated August 20, 2009
[2] Increases due to nuclear uprates are included in Other Clauses
[3] Assumes step base rate increase for WCEC-3 absent GBRA, consistent with FPL's response to Staff's Second Set of Interrogatories # 8. See page 2 of 2 of this exhibit for calculation
[4] Assumes fuel efficiencies of WCEC 3 are levelized throughout the year.
[5] Reflects increase in GRT due to increase in base bill

080677 Hearing Exhibit - 00001475

Docket No. 080677-EI
Estimate of the Percentage of
base revenues to total bill for
1,000 kwh residential bill
assuming that GBRA is not
continued in 2011
Late-Filed Exhibit No. 2
Page 2 of 2

Line	Estimate of RS-1Base Energy Charge with step increase for WCEC-3	Source of Data reference		Amount
1	WCEC3 Annual Revenue Requirement Allocated to RS(T) class	Response to Staff's Second Set of		99,792
2		Interrogatories No. 8 Attachment 1, Page 2 of 2		
3	Revenues	MFR E13c P 4 Col 8 Ln 11		2,951,849
4	Estimated adjustments for KO-16	(53.87-54.55)/54.55	(1)	-1.25%
5	Total Revenues adjusted for KO-16	Ln 3 * (1+ Ln 4)		2,915,052
6				
7	Estimated Non-Fuel Energy Adjustment for WCEC-3	Ln 1 / Ln 5		3.423%
8				
9	January 2011 Base bill	RBD-2 updated 8/20/09		53.87
10	June 2011 Base bill adjusted for WCEC-3	Ln 9 * (1 + Ln 7)		55.71

(1) Percentage decrease in 2011 base bills shown in RBD-2 as originally filed vs. as updated on Aug. 20, 2009

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	DOCKET NO. 080677-EI

TELEPHONIC DEPOSITION OF:	JOSEPH ENDER
TAKEN AT INSTANCE OF:	The Florida Public Service Commission
DATE:	August 20, 2009
TIME:	Commenced at 1:15 p.m. Concluded at 3:13 p.m.
LOCATION:	Gunter Building 540 Shumard Oak Blvd. Room 382D Tallahassee, Florida
REPORTED BY:	LORI DEZELL Registered Professional Reporter

ACCURATE STENOTYPE REPORTERS, INC.
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Alberto Sura (phonetic)
Matthew Hammel
Connie Kummer
Elizabeth Draper
Jeff Pollock

INDEX

INDEX OF EXHIBITS

(Exhibits attached hereto.)

PROCEEDINGS

Thereupon,

JOSEPH ENDER

was called as a witness, having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. WILLIAMS:

Q Well, I'll get started. I think we -- you all usually agree that objections, sir, except as to form, are observed. So if your attorney objects, please answer the question unless she instructs you not to.

And if at any time you don't understand a question or you'd like me to explain it, please don't hesitate to ask me and I'll do my best to clarify it for you. Okay?

A Yes, ma'am.

Q Are you ready to begin?

A Yes, I am.

MS. CLARK: Anna, just to be sure, the other thing you did want to mention is we will not waive the reading and signing of the deposition.

MS. WILLIAMS: Okay.

MS. CLARK: All right.

BY MS. WILLIAMS:

Q I'm going to start on your direct testimony on page 21.

A Just one second.

Q These first couple of questions I'm going to ask you are about cost of service, first about what FPL proposed and then some of the intervenors' positions.

Now, on page 21, lines 12 to 13, you state that FPL proposed a 12 CP and 1/13th average demand methodology for production plant. Are you aware that the Commission approved a 12 CP and 25 percent average demand cost allocation methodology for Tampa Electric Company in its most recent rate case?

A Yes, I do.

Q Are you also aware that Progress Energy in its current rate case has requested that the Commission approve a 12 CP and a 50 percent average demand allocation methodology?

A I am aware of that as well.

Q Did FPL consider going to a larger average demand allocation?

A Well, at the time that we filed, the TECO case hadn't yet been completed. And so therefore the only methodology that was used by the Commission was the 12 CP and 1/13th. The 12 CP 1/13th also required by the MFRs, and we've used it for over 20 years, and it's appropriate for FPL and consistent with the manner in which -- FPL's generation expansion.

Q Okay. Now, next I have some questions about the South Florida Hospital and Healthcare Association's testimony filed by witness Baron advocating the summer coincident peak method.

A Right.

Q And you don't need to look there but I'll be referring to Baron's testimony on page 19, lines 2 through 4.

MS. CLARK: Would you just give us a minute to get there so we can have it in front of us, please?

MS. WILLIAMS: Sure. Just let me know when you're there.

MS. CLARK: All right. We're there.

BY MS. WILLIAMS:

Q Okay. And in addition, I'm going to have you refer to page 5 of your rebuttal testimony.

A Okay.

Q There on lines 1 through 3 you reference Mr. Baron's proposal to use the summer coincident peak method for allocating production plant. Could you please provide an overview of your understanding of the summer coincident peak method?

A Yeah. My understanding of the summer coincident peak as proposed is the use of the summer peak, which is one hour as the basis for allocating demand, production of demand among rate filings.

Q And how does that differ from FPL's proposed 12 CP and 1/13th methodology?

A In a lot of ways. The 12 CP and 1/13th is the average of the 12 monthly peaks, and the 12 CP methodology, 12 CP and 1/13th methodology, takes 12-thirteenths of the production cost and allocates them based on demand, coincident demand, and the 1/13th, or 8 percent approximately, based on energy, whereas Mr. Baron's proposal allocates no cost based on energy and only allocates and cost based on the one-hour peak, which for two reasons is not consistent with FPL's planning price cost allocation at FPL. And number two, it wouldn't allocate cost to all rate classes, which wouldn't be appropriate.

MS. WILLIAMS: Did we just -- did someone just join the line?

MS. CHRISTENSEN: Yeah. Patty Christensen with the Office of Public Counsel.

MS. MERCHANT: Patricia Merchant with the Office of Public Counsel.

MS. WILLIAMS: Are those the only two that joined?

BY MS. WILLIAMS:

Q Okay. Sorry, Mr. Ender, I'm going to continue now.

Now, on page -- staying on page 5 of your rebuttal testimony, lines 9 through 10, you state that the summer coincident peak method is inconsistent with FPL's generation planning process. Can you elaborate on that statement by giving me a brief overview of FPL's generating planning -- generation planning process? And also, could you explain why that -- why the summer coincident peak method is inconsistent with that process?

A Yes. Can you again recite where in my rebuttal testimony I should look at?

Q Page 5 of your rebuttal testimony, lines 9 through 10.

A Okay. Summer coincident peak method is inconsistent with FPL's generation planning resources.

Q Exactly.

A And you want me to -- would you repeat the question again, ma'am?

Q Can you give me a brief overview of FPL's generation planning process?

A Yes. FPL's generation planning process consists of reliability criteria that is three-prong. And the -- which looks at the summer peak -- I mean, the summer capacity reserve margin, fitting the summer capacity reserve margin of 20 percent, winter reserve margin of 20 percent, or the ability to meet the daily peaks or hourly peaks throughout the year.

Any of those three could cause the need for additional capacity in FPL's system. In addition, FPL also considers the number of hours the unit would run such that it would select the unit that would produce the lowest average price to customers. And so there's an energy component as well as the peak demand. Not only the summer peak but also the monthly peaks.

Q Could you explain why the summer coincident peak method is inconsistent with FPL's generation planning process?

A Yeah. It's only one component of the whole -- of the whole formula of what drives cost at FPL.

Q Okay. Can we turn now to page 6 of your rebuttal testimony, line 17. Now, here you refer to one of the reliability criteria as maintaining an LOLP of .1 days per year or less.

A Right.

Q Could you please explain what LOLP stands for, what LOLP is?

A It's the loss of load probability, and it looks at the hourly peaks and tries to make sure that

FPL is able to make those hourly peaks, only with 0.1 days per year or less benchmark.

Q Okay. Thank you. Now, on page 17 -- oh, no, excuse me. On page 7, flip to the next page, lines 19 through 20, you state that two rate classes would not be allocated production plant costs using a summer coincident peak allocation?

A Yes.

Q Turning to JE -- JAE-7 --

A Okay. I'm there.

Q Is it correct that those two rate classes are the OL-1 and SL-1 rate classes?

A That is correct. And those are the lighting classes, the outdoor lights and the streetlights.

Q Can you explain why under a summer coincident peak allocation the OL-1 and SL-1 rate classes do not get any production plant allocated?

A Well, in this particular instance, the summer peak happens to occur between 4:00 and 5:00 in the afternoon, so the lights are not on. And the streetlights and the outdoor lights only contribute to the peak when it's a night peak system peak, or what we call dark peak. Early mornings, late -- late evenings.

Q Okay. Thank you. Turning to page 8 of your rebuttal, lines 9 through 12, you discuss there that a summer coincident peak methodology increases the revenue requirement for the residential class by 23.6 million when compared to FPL's filed methodology. Can you explain why the summer coincident peak methodology increases the revenue requirement for the residential class?

A Yeah. It would allocate more cost on demand and less cost on energy -- or no cost on energy. And that would result in $23.6 million in additional revenue requirements from the residential customer as well as 11.1 million for the general service customer.

Q Okay. Thank you. Now, my next few questions relate to the MDS method proposed by South Florida Hospital and Healthcare Association's witness Baron. You start discussing the MDS method on page 9 of your rebuttal testimony, but I'll be referring to page 11 first. On page 11, lines 9 to 11, you state that the MDS method shifts all benefits obtained from economies of scale to the larger customers.

A Uh-huh.

Q Could you elaborate on that statement?

A Yes. I mean, they indicate -- there's a number of -- there's a lot of economies when providing service to residential customers. One transformer, the same size transformer that would be used for a commercial or industrial customer could be used to serve 10 multiple residential customers. And the reason for that is because not all of the maximum demand from each of the residential customers occurs at the same time.

So they have some diversity and that causes the economies as well as being able to hook up, you know, multiple residential customers on a similarly sized transformer as a commercial customer would be.

Q Okay. Turning to page 15, line 3 through 6, can you explain why the MDS method increases the amount of distribution plant allocated to residential and small commercial customers?

A Yes. Essentially the MDS method would allocate costs that are allocated, properly allocated on demand, and would allocate them based on number of customers for the so-called minimum distribution system. And by doing that, you're basically allocating most of those costs to the classes that have the most customers, in this case residential and small commercial, or the GS class.

MS. CLARK: Hello?

MS. WILLIAMS: Hello.

MS. CLARK: Are you still there?

MS. WILLIAMS: Yes. Can I have one second?

MS. CLARK: Yes.

(Off the record.)

BY MS. WILLIAMS:

Q Okay. I'm sorry. Thank you. I'm back.

Now, our next -- my next line of questioning will be about FIPUG witness Pollock's testimony.

A Okay.

Q On page -- and I'll be referring to Pollock's testimony on page 46.

A Forty-six.

Q Of his direct testimony.

A Just one minute.

Q Let me know when you're there.

MS. KAUFMAN: Hey, Anna. This is Vicki. Just so you know, I think it's pronounced Pollock (pronouncing phonetically).

MS. WILLIAMS: Pollock. Okay.

MS. CLARK: We're ready, Anna.

BY MS. WILLIAMS:

Q Okay. Now, on page 46, lines 3 through 6, he states in his direct testimony that the analyses demonstrate that the summer peak demands determine FP&L's capacity requirements. The other months are irrelevant. Do you agree with that statement?

A No, I disagree with that statement.

Q Why?

A Because, as I mentioned early, what causes FPL to incur cost on the production side is two criteria. While it's true that summer peak has driven our need for additional capacity, the type of unit that we add, which influences the total cost of the unit, also looks at how many hours a unit will run and the savings that would be generated from those units.

As you know, we're installing a lot of highly efficient units, and those cost extra, as opposed to anything that just deals with the peak demand needs.

Q Referring back to your rebuttal testimony on page 3, lines 18 through 19, you state that -- that witness Pollock suggests that the Commission adopt the average and excess A&E demand method?

A On page 3, you said? Excuse me.

Q On page 3 of your rebuttal.

A Okay.

Q You refer to -- and I think you're referring to page 47 of Pollock's testimony.

A Okay.

Q Could you please provide an overview of your understanding as to how the average and excess method allocates production plant cost?

A Yes. And I believe I do that, and I'll direct you over to, if I may, page 22. Mr. Pollock, while he is certainly okay with the 12 CP 1/13th, he offers the average and excess method as an alternative for the Commission to consider should it decide to use a more energy-weighted methodology.

And as I understand it, he is allocating 59 percent. His methodology would allocate 59 percent, which is the average load factor for FPL on the basis of average demand or culled energy. And the remainder would be based on the maximum -- the class maximum demand. That's how it would be allocated.

Q Do you believe that using the average and excess demand cost allocation methodology is appropriate for FPL?

A No, I do not believe that it is appropriate for FPL.

Q Why not?

A Well, because the maximum -- the class maximum demand is almost never coincident, the peak demand, which is really what drives FPL's -- FPL's need for additional capacity. So it's inconsistent with the way FPL increases cost.

Q Okay. Can I have you hold on one second while I look over my notes?

A Certainly.

(Off the record.)

BY MS. WILLIAMS:

Q Mr. Ender --

A Yes.

Q -- I think I have just one more question. How are you defining class maximum demand and how does that differ from coincident peak demand?

A The coincident peak demand, the demand of each class, the time of FPL's peak. So it's set to be coincident. All the classes' peak are coincident with the peak, what classes cause the peak for FPL.

And then you have the class maximum demand, which can occur at any time, and that is based on when the class experiences the maximum demand in KW. So that can happen any time.

Q Okay.

A It is not coincident -- class maximum demand is not at the same time as the coincident demand.

Q Okay. Thank you.

MS. WILLIAMS: That's all the questions that I have for you. Thank you.

THE WITNESS: You're welcome.

MS. WILLIAMS: Who would like to go next?

MS. KAUFMAN: Do you want me to go next?

MS. WILLIAMS: Sure.

MR. WISEMAN: That's fine. I can go last. I don't care. However you want to do it.

MS. KAUFMAN: Okay. I'm sure we're all be on here for the duration, but I'll go next.

EXAMINATION

BY MS. WILLIAMS:

Q Mr. Ender, I'm Vicki Kaufman and I'm here on behalf of the Florida Industrial Power Users Group. And as Ms. Williams said, if you can't hear me or understand me at any time, let me know. We're doing this long distance. Okay?

A That's fine. Thank you. I can hear you fine.

Q Okay. Great. I just want to ask you a question about your testimony at page 13 of your direct, beginning at line 8. The question begins at line 18. Let me know when you're there.

A I am there.

Q And starting on line 20, you are talking about the fact that based on 2008 data that you had, that 9 of the 30 rate classes experienced changes in consumption pattern, correct?

A That is correct.

Q And then on the following page 14 at the top, you list those classes.

A That is correct.

Q Can you tell me what changes in consumption patterns we're talking about?

A The changes in consumption patterns were as it related to their coincident peak, noncoincident peak and the class coincident peak. And what we saw -- and the majority of these classes are classes that were impacted by the new classes that were implemented back in 2006.

And so a lot of them didn't have a lot of history and there was still continued migration in and out of these classes. And we saw that the load factors were changing drastically. So as a result of that, we decided to include these -- the 2008 data that we had.

Q Okay. The changes that you just talked about, was that the case for all nine classes that you've listed?

A Can you repeat that question again? I didn't catch it all.

Q Yes. The changes in consumption that you described, such as the migration between classes and the effect of the new rate schedules, were those changes common to all nine of the classes that you listed?

A Yes. I mean, these classes all experienced consumption changes, some driven by migration and some driven by just changes in the makeup of their consumption usage.

Q For the GSLDT-2 class and GSLDT-3 class --

A Yes.

Q -- did you see that -- a decrease in consumption for those classes?

A I don't have that --

MS. CLARK: Give us a minute, Vicki.

(Off the record.)

MS. CLARK: Vicki, would you give us the classes that you want us to look at again?

MS. KAUFMAN: Hold on. GSLDT-2 and 3. And also if you're looking, HLFT-3.

MS. CLARK: HLFT-3?

MS. KAUFMAN: Right. It's on page 2 -- I mean line 2 of page 14.

MS. CLARK: Yeah.

THE WITNESS: Okay. In the case of the GSLDT-2, the usage went up, and so did for the GSLDT-3. In the case of the HLFT-3, it went down.

BY MS. KAUFMAN:

Q Now, since you looked at the numbers, can you tell me by what magnitude the GSLDT-2 and 3 classes went -- their usage went up?

A Actually, the way I -- we don't have the demanding factors, just we had the load factor impact. So it went from, in the case of the -- which one did you ask me for?

Q GSLDT-2.

A GSLDT-2 went from, in 2007 from 59.2 down to 55.6 in 2008.

Q That's load factor?

A Yes.

Q Okay. And what about for GSLDT-3?

A It went from 70 -- in the case of the GMCP load factor, it went from 78 to 73, and the MCP went from 70 down to 63.

Q And then what about the HLFT?

A The HLFT-3, the coincident peak load factor went from 90 up to 93.1, so that went -- that went down. And that was it.

Q Okay. And those are -- after those classes, those are the changes in consumption that your -- patterns that you're talking about at the bottom of page 13 of your direct?

A That's correct. And, you know, we see that we're trying to forecast that out to test year and beyond. And we want to use the most current information on the behavior of the classes, which the load research rule apparently requires that to do that. It needs to be a sufficient precision to assure reasonableness costs are being allocated to customers.

Q How often do you conduct your load research study? Is it annually?

A Yes, it is.

Q Okay. So the most -- most recent one you have I guess is for 2008, correct?

A That is correct.

Q And you have used the 2008 information to project load data for your 2011 test year?

A We actually -- well, we used 2005 to 2007 and then we used 2008 for just these nine classes which, by the way, there really are 10. It will be shown on the errata, my errata. And --

Q Well, can you stop there and tell us what the tenth is, so we don't have to be --

A SST-1T class.

Q I'm sorry?

A SST-1T, the standby supplemental.

Q Got it.

A And so we included for those ten classes 2008 data, and that's what was used as the basis to -- to forecast the demand by applying the energy, the sales forecast against it.

Q Okay. And my question is, and you used that same data to do your forecast for 2011, right?

A 2010 and 2011, that's correct.

Q And I'm assuming that you're going to have an updated forecast in 2009 and in 2010, correct, of your load data?

MS. CLARK: I'm sorry. Could you be more specific for what purpose? I mean --

MS. KAUFMAN: Well, I think Mr. Ender has told us that load research or load data is done annually. And I'm just asking him if -- is that going to continue and you're going to do a new load study in 2009 and another in 2010.

A No. What I'm saying is that we do an annual study, yes.

BY MS. KAUFMAN:

Q Okay.

A And what we did for purposes of the rate case is to utilize the information that was available at the time. Not only was the economic conditions the driver, usually we just use the last three years of history, okay, as the basis for the rate case.

But in this case, due to the economic downturn and due to the fact that we had, you know, seven new rate classes that were added, you know, we wanted to look at 2008 to see, you know, how it -- how those conditions impacted the consumption of the class.

Q I understand, Mr. Ender. But you're going to engage in that same exercise in 2009, right?

MS. CLARK: Are you asking is he going to perform the cost of service every year like he's done in the past?

MS. KAUFMAN: I'm asking him, Susan, if in 2009 in compliance with the rule he's going to update or provide additional load study information.

A We do the analysis every year based on history. Okay? We do not engage in a forecast.

BY MS. WILLIAMS:

Q Okay. Understood. But, for example, in 2010, you will have historical information from 2009, correct?

A Yes.

Q And similarly, in 2011 you will have your historical information for 2010 as you had in '09, correct?

A That is correct.

MS. KAUFMAN: Hold on a minute here while I shuffle papers.

BY MS. KAUFMAN:

Q I just want to clarify one thing that -- that Ms. Williams asked you about, and that is you understand Mr. Pollock -- well, let me ask you this. Do you understand that Mr. Pollock is recommending the average and excess method only if the Commission does not adopt the 12 CP 1/13th?

A Yes. I am very much aware of that.

Q I just wanted that to be clear.

If you would take a look at your rebuttal testimony, page 5.

A Uh-huh. It's our turn to shuffle papers. Page 5. I'm there.

Q Okay. Starting at line 4 when you are talking about your summer reserve margin criteria of 20 percent --

A Correct.

Q -- and you agree, right, that Florida Power & Light is a summer peaking utility?

A Right now it is, yes.

Q And on line 6 you're discussing the 25 percent reserve margin and F scale used. And I think I asked you or your counsel if you could bring Rule 25-6035 with you. Do you have that?

MS. CLARK: Vicki, just to clarify, you said 25 percent reserve margin. You mean 20, don't you?

MS. KAUFMAN: 20, uh-huh.

MS. CLARK: Go ahead.

A Yes, and I have that.

BY MS. KAUFMAN:

Q Are you familiar with that rule?

A No. This is the first time that I've seen it.

Q So you didn't know that the Commission had a reserve margin rule?

A No, no, no. I'm aware of the reserve margin rule but this is the first time that I've seen this particular rule, because I don't deal in --

Q I'm sorry. Are you done?

A Yes.

Q Okay. Well, I understand that you're not a lawyer. I'm not asking you for a legal interpretation. Take a look at subsection 1 of this rule. And about midway down, would you agree with me that the rule says that the peninsular utilities are required to maintain a 50 percent reserve margin?

A Yeah, and I believe it says a minimum.

Q Right. And Florida Power & Light is using the 20 percent. Is that based on the 1999, I guess you would say, investigation that the Commission did into reserve margin?

A I do not know that.

Q What do you base the 20 percent reserve margin on?

A On our planners.

Q Meaning that your planners told you that that's what they used?

A It's my understanding that that's what they used, that's correct.

Q And you don't know the basis for the use of 20 versus 15?

A No, I would not. I do not.

Q Is there a witness in this case that adjusted that, if you know?

A I don't know.

Q Would you agree with me that if Florida Power & Light used the 15 percent reserve margin, that their need for capacity would be less than what you've projected?

A I don't know that.

Q Isn't that intuitively incorrect?

A Well, it's really outside of the scope of my testimony.

Q Okay. I'll have to figure out who would discuss that.

Now, you talked some with Ms. Williams about the 12 CP and 1/13th methodology and how that fits in with your generation planning, correct?

A That's correct.

Q And if you turn to page 4 of your testimony --

A My direct or my rebuttal?

Q Your rebuttal, please. Are you there?

A Yes.

Q You give potentially three reasons there that that methodology best suits FPL, correct?

A Correct.

Q And the first one is that it recognizes that the type of generation unit selected is influenced by energy and peak demand, correct?

A Yes.

Q Can you contrast that with what -- how the, say, 12 CP and 25 AD methodologies would deal with that in FPL's case?

A Could you be a little bit more specific --

Q I'll try.

A -- what you mean?

Q Yeah. I think Ms. Williams asked you some questions about some alternate cost of service methodologies, like the 12 CP and 25 AD and the 12 CP and 50 AD, correct?

MS. CLARK: Would you repeat that, Vicki?

BY MS. KAUFMAN:

Q I think that Ms. Williams asked you some questions about some other cost of service methodologies, correct?

A Yes, she did.

Q And I think you said that you were aware or familiar with the 12 CP and 25 percent AD methodology?

A Yeah. But she was asking me if I was aware that Tampa had -- was using a 12 CP and 25 AD, and I believe she asked me then if I was aware that Progress had proposed a 12 CP 50 percent AD. And my answer to her was yes.

Q Okay. And are you familiar with those methodologies?

A I am familiar, yes.

Q Okay. And so my question is, looking at page 4, beginning at line 16 where you talk about the 12 CP and 1/13th and you give the reason, maybe it would be easier to go through those and talk about those individually. Can you explain how the first reason that you've given there is -- is a component of the 12 CP and 1/13th methodology?

A Well, the 12 CP and 1/13th, the 1/13th component is an energy component. So it recognizes the energy, energy piece that is included in our planning.

Q And that's consistent with the way FPL does its planning?

A That is correct.

Q And the second reason you list on page 4 is that this methodology reflects the influence of the summer reserve margin. And can you explain how the 12

CP and 1/13th methodology does that?

A As it relates to the summer reserve margin?

Q Yes, sir.

A No. In that case it wouldn't be substantiated to that.

Q Well, don't you say that the 12 CP and 1/13th accurately reflects your generation plan because, and then the second reason you give is it reflects the influence of the summer reserve margin?

A Yes. And the third reason --

Q How does it do that?

A -- that it recognizes the capacity and must be available throughout the year to meet FPL's winter reserve margin as well as the annual loss of load probability, which means it has to be available every month of the year, and that's where the 12 CP connection comes in.

Q Okay. Now, when you talk about winter reserve margins, what do you mean by that?

A Well, as I understand it, there's a three-prong reliability criteria, the summer reserve margin, the winter reserve margin and the loss of load probability, all of which or any of which have the same chance of causing the need for additional capacity.

Q Can you tell me what month you include in your -- when you're doing your winter reserve margin calculation? What months are considered to be winter months in Florida?

A I believe before April. I guess it's November to April.

MS. CLARK: Let us see if we can find that out. Hang on.

(Off the record.)

A November through April.

BY MS. KAUFMAN:

Q Okay. And would I be correct that your winter reserve margin is lower than your summer reserve margin?

A My recollection, that is the case.

Q I'm sorry. Say that again.

MS. CLARK: Vicki, let me object to the question. Could you be clear on what time period you're asking for?

BY MS. KAUFMAN:

Q Okay. In 2010, is your winter reserve margin higher or lower than your summer reserve margin?

A It is lower.

Q And is it the same for 2011?

A I believe it is.

MS. CLARK: Just a minute, let us -- can we check that? Do you have something? Let us just check that, Vicki.

MS. KAUFMAN: Okay.

A Yes, that is correct.

BY MS. KAUFMAN:

Q And has that historically been the case?

A My recollection -- I believe it has but I'm not sure.

Q Mr. Ender, just assume with me for purposes of this question that FPL installed, say, 20,000 KW of generation to help meet its summer peak. Are you with me?

A Yes, I am.

Q Okay. Would you agree that this generation is also available throughout the year? Of course except when the unit is out for -- you know, except when the unit has a forced outage or a maintenance outage.

A I believe it would be.

Q Do you know when FPL experiences its lowest LOLP, loss of low probability?

A I do not.

Q Take a look at page 12 of your rebuttal, Mr. Ender. It's in the midst of your discussion of Mr. Baron's testimony.

A Okay.

Q If you start at the top of page 12, you're talking about the issue with the minimum distribution system method and you're talking about the fact that it -- there's a double counting issue there; is that correct?

A Uh-huh.

Q I'm sorry?

A Yes.

Q Okay. Is there a similar double counting issue with the 12 CP and 25 AD method?

MS. CLARK: I'm going to object to the form of the question. You need to be more explicit.

BY MS. WILLIAMS:

Q Can you answer that, Mr. Ender?

A I read -- I really don't have an opinion on that.

Q Well, you don't have an opinion or you don't know whether there is a double counting issue there?

A I don't know if there's a double counting when it comes to the 12 CP and the average demand.

Q Well, when you calculate average demand, isn't it right that you -- you take the year-round energy consumption and you divide it by 8 -- what, is it 8,760 hours, the number of hours in a year?

A That's correct.

Q And take the average demand. And isn't coincident peak a component of that demand?

A Yeah.

Q So if both of those were counted in the 12 CP and 25 AD, wouldn't that be double counting?

A You know, there's probably some component. I don't know whether it's double counting, whether there's fractional counting. There is a component, but that's all I know.

Q Okay. A component that is counted more than once? We won't try to figure out the double if that throws you. But there is a component in that methodology that was counted more than once, correct?

A I don't know that.

Q Well, I thought prior to that you said that you agreed there was but you didn't know the magnitude of it.

A That's correct.

Q I want to go back a second to the question I asked you about loss of load probability and I asked when FPL has experienced this loss of load probability and I think you said you didn't know; is that right?

A That is correct.

Q Can you provide that information to me in a late-filed exhibit?

MS. CLARK: Hang on a minute, Vicki.

Vicki, Joe doesn't do the planning and that is not part of his testimony. So in terms of providing it as a late-filed exhibit to his deposition, I don't think that's appropriate.

MS. KAUFMAN: I was just waiting for you to finish. Well, I don't think it's very difficult information to gather. I imagine Mr. Ender is in contact with the planners and so --

MS. CLARK: But you know we're at the end of discovery.

MS. KAUFMAN: I would ask that he make an effort to provide that. And I'd like to go ahead and identify it as a late-filed exhibit. So let's -- I guess it's No. 1. I don't think Ms. Williams had any.

MS. CLARK: I think you're right. And that would be Exhibit 1. And we would note that we would object to providing that.

Can you give me the title?

MS. WILLIAMS: FPL's lowest LLP.

MS. CLARK: What period?

MS. KAUFMAN: Let's do it for 2008, '09, '10 and '11.

MS. CLARK: Okay. I have the title.

(Late-Filed Exhibit No. 1 was marked for identification.)

BY MS. KAUFMAN:

Q Okay. Let's take a look at page 22 of your rebuttal, Mr. Ender.

A I'm there.

Q And again, you have some codes of the average methodology. Have you reviewed the NARUC electric cost allocation manual, or are you familiar with it?

A I am familiar with it.

Q And that -- is that manual sort of the guide for cost allocation, if you will? Is that a resource that you turn to?

MS. CLARK: Hang on a minute, Vicki. We're seeing if we actually have a copy of that with us.

BY MS. KAUFMAN:

Q I'm not intending to ask him specific questions out of the manual.

A You need to ask me specific questions out of the manual?

Q No, I am not. So I don't think that you'll need a copy of it.

MS. CLARK: We'd just like to have it in front of us.

MS. KAUFMAN: All right. Let me know when you're ready.

THE WITNESS: Okay.

BY MS. KAUFMAN:

Q Yes?

A Yes, I've got it.

Q Okay. Does that manual describe the average and excess method that we've been talking about?

A I did not look into that degree of depth.

Q You don't know whether or not it does?

A I'm -- I'm sure it does. Let's assume that it does.

MS. CLARK: Hang on a minute. Let us just find that. Go ahead, Vicki.

BY MS. KAUFMAN:

Q Find it?

A Yes, we found it.

Q Okay. Great. So we've just confirmed that it's in there and described by that manual, correct?

A That's correct.

Q Do you know of any utilities, electric utilities, that use the A&E method?

A No, I don't.

Q You -- you are -- you just don't know whether or not there are any; is that correct?

A That's correct.

Q Look at page 23 of your rebuttal, line 7, and let me know when you're there. I'm sorry.

A I'm there.

Q Okay. And you're talking about the excess demand component of the A&E formulas, correct?

A That's correct.

Q What you have called -- and you have "excess" in quotation marks. What you call excess demand, is that the same thing as group noncoincident peak?

A I understand the formula. The excess demand is allocated based on the group noncoincident peak.

Q So it's -- I mean, those are two ways of saying the same thing? I'm just trying to understand what you're talking about when you say excess.

MS. CLARK: Would you repeat your question one more time, Vicki?

BY MS. KAUFMAN:

Q I asked Mr. Ender if, as he uses it on line 7, excess demand is the same as group noncoincident peak.

A Well, the excess demand that I am referring to on line 7 is pertaining to the A&E, the E component of the A&E method that -- allocation methodology that Mr. Pollock proposes. And that would be allocated based on maximum, class maximum peak, or GNCP, as we call it.

Q Right. And that's grouped noncoincident peak?

A That's correct.

Q Okay. And I think you say there on line 8 that that method results in 41 percent of production and transmission being allocated on a CMPC basis, right?

A That is correct.

Q Have you reviewed Mr. Hardy's testimony in this case?

MS. CLARK: Whose testimony?

BY MS. KAUFMAN:

Q Is it Mr. Hardy that talks about the cycling of plants, FPL plants?

A No, I haven't.

Q Would you be surprised if he testified that FPL's site visit planned extensively because of load variability?

A Before I would say that if I was surprised or not, I would like to look at the testimony.

Q So you don't know about that one way or the other?

A No.

Q If that were the case, that there was extensive cycling due to load variability, if you would just assume that, do you know what classes would primarily cause the units to have to cycle?

A No.

MS. KAUFMAN: Hang on one second, Mr. Ender.

(Off the record.)

MS. KAUFMAN: I think I am done. Thank you, sir.

THE WITNESS: Thank you all.

MR. WISEMAN: This is Ken Wiseman. I wonder -- we've been going for an hour. I'm happy to start my questions now. I wonder if the witness wants to take a couple of minutes.

I will say this in advance that, Vicki, your -- you eliminated many, many questions I have. So I'll be shorter than I had anticipated.

MS. CLARK: Ken, I think that's a good idea. Let's -- we have been going for an hour. I don't -- what do we do, hang up and call back in or --

MR. WISEMAN: I would assume that we just stay on the line and --

MS. CLARK: Okay. So when do you want to reconvene?

MR. WISEMAN: I'm fine to go. I'm just thinking the witness -- whatever the witness wants to do. Five minutes?

MS. CLARK: Let's come back at what I would say is 10 after 2:00.

MR. WISEMAN: Okay.

(Break taken.)

MS. WILLIAMS: This is Anna. I'm back.

MS. CLARK: And this is Susan. I guess we're ready.

MS. WILLIAMS: Okay.

EXAMINATION

BY MR. WISEMAN:

Q Back on the record, please.

Mr. Ender, this is Ken Wiseman for the South Florida Hospital and Healthcare Association. Can you hear me, I hope?

A Yes, I can.

Q First I want to go back to a couple of topics that you were discussing with Ms. Kaufman just a little bit ago. First of all, you agreed with her that FPL is a summer peaking system but in your answer you said for now. And I'm wondering what you meant by the phrase "for now."

A Well, that's -- it's just what it means. I mean, we don't know what tomorrow will bring, whether we'll become a winter peak.

Q Historically has FPL been a summer peak season -- summer peaking system?

A To my knowledge, yes.

Q And do you foresee, are you projecting out that that may change in the future?

A I don't know that.

Q All right. Now, also when you were talking with Ms. Kaufman, you referred to the summer reserve margin of 20 percent. Do you recall that?

A That is correct.

Q And I believe that you testified that the winter reserve margin is something lower than 20 percent?

A I don't believe I said that. I believe we used 20 percent for both winter and summer.

Q All right. Now, can you refer to -- I had sent an email yesterday asking your counsel to bring certain documents with you. Do you have MFR E-11?

A Yes, I do. Just give me one second to go there.

Q Sure.

A I have that.

Q All right. Can you turn to page 1 of attachment 2 of 5 of that MFR?

A Page 1. Okay.

Q All right. Now, if I understand the data that's set forth, this shows the coincident peak data for each month in the year 2005, correct?

A That is correct.

Q Would you describe the coincident peaks that were experienced in 2005 as representative of what typically occurs on the FPL system on an annual basis?

A I can't say that.

Q All right. Well, then let's go through it month by month. If you look at January, February, March, and April, as well as in November and December, you would agree that the coincident peaks experienced during those months are lower than the coincident peaks experienced during May, June, July, August, and September -- September and October, correct?

A Well, April is lower, but we have January that is higher than -- I guess higher than April, yes.

Q Well, maybe I misspoke. But you described I believe the winter reserve margin as November -- I'm sorry, the winter period as November through April earlier, correct?

A Well, I'm sorry if I did say that. I have to retract on that. It's November through March is the winter.

Q All right. So the summer period then is considered to be April through --

A October.

Q -- October. Very good. All right.

So typically then, you would expect that the coincident peaks in the months November through March would be lower than the coincident peaks experienced during the months of April through October, correct?

A Well, there are instances where, you know, one or two months in the winter would be higher or as high as some of the summer months.

Q In the period 2005 through the present, do you recall that that's ever occurred?

A No, I don't recall. I don't have the information. I guess we could go through it here.

Q We don't -- if that occurred, that would be reflected in the -- these attachments, the MFR E-11; is that correct?

A That is correct.

Q All right. Let's turn to page 2 of 25 in Attachment 2 to MFR-11.

A Okay.

Q Do you have that? Now, this shows load research data for the CILC 1-D rate schedule; is that correct?

A Yes.

Q I just want to ask you some -- really some questions for clarification of some of the data that are here. Do you see that there's a second column over, and then you go down that column, there are different entries for the different types of data that are reflected in each line that follows the description, correct?

A Right.

Q About one, two, three, four -- I think it's the fifth entry down, the letter N as in Nancy. Do you see that?

A Yes.

Q Can you tell me what that letter constitutes? What it means and what those data are that are in that row?

A The number of customers that the Lodestar system calculates. Lodestar is what we use for our load research.

Q So in other words, under the CILC-1D rate schedule in the month of January, 2005, there were 362 customers; is that correct?

A The Lodestar system had, yes.

Q Okay. Now, as we go down, there's a couple of entries, kilowatt hour on-peak and kilowatt hour off-peak. Do you see that?

A That is -- I see it, yeah.

Q Can you define for me what the data are that are in those two rows?

A In terms of the hours?

Q Is that the total hours? Are those -- I'm trying to find out, are those hours or are those sales? What are they?

A Those are kilowatt hours for the on-peak period versus the kilowatt hours for the off-peak period.

Q During the entirety of the month?

A Yes.

Q All right. And then the last question, just for clarification on this page, if you go down toward the bottom of the page, not quite all the way to the bottom, but you see entries for noncoincident peak RP, coincident peak RP, group coincident peak RP. Do you see those entries?

A Yes, I do.

Q Can you tell me, there are, it looks like, six or seven rows of data there. What percentages -- just as a generic -- on a generic basis, can you tell me what those data represent?

MS. CLARK: You know, Ken, I just want to be sure that I know where you're looking. Do you have MCP, then RP, and then MCP RP, and then on ONPK and NPPR off PK; is that what you're talking about?

MR. WISEMAN: Yes. I would be starting at the line that says NCPRP and then goes through CPRP.

MS. CLARK: Okay.

A Yes, those are the statistical precision levels for -- relative position for each month, for each one of those components.

BY MR. WISEMAN:

Q I'm sorry, I missed that. The statistical what?

A Precision. Precision. Relative precision is what the RP stands for.

Q So that's a statistical measure to validate your results?

A That is correct.

Q All right. Very good.

Now, do you see immediately above the rows that we've been talking about, there are a number of rows that have data followed by LF, which I assume stands for load factor?

A Yes.

Q Okay. And again for clarity, I'm referring to the rows NCPLF through CPLF. Would you describe the data that are in those entries?

A Yeah. Those are the load factors for -- the NCP would be the 9-point center peak load factors, and if you skip to the GCPCF, that would be the coincident factor.

Q All right. Can you tell me, how does the load factors that are listed here for the CILC1-D rate schedule during the coincident peak group, coincident peak and noncoincident peak, how do they compare with the load factors that you would expect to see for, as an example, the residential rate class?

A I haven't done that comparison.

MS. CLARK: Do you want to check?

THE WITNESS: Yes.

MS. CLARK: Ken, he wants to check.

MR. WISEMAN: Sure.

BY MR. WISEMAN:

Q For ease of reference, you might want to go to page 19 of 25 in the same exhibit, same attachment.

A Thank you. They are higher.

Q Now, the load factors are higher. Are they also more stable in the sense that they're not large swings from -- from one month to the next as compared to the residential class?

MS. CLARK: Do you want to give a parameter on large swing?

MR. WISEMAN: 10 percent or more.

MS. CLARK: I think he wants to look at specifics so it will be a little bit --

MR. WISEMAN: Sure, that's fine.

MS. CLARK: Can you repeat the question?

MR. WISEMAN: Could you read it back? I'm not sure I remember it at this point. Can the court reporter read it back, please.

(Requested portion read by reporter.)

MS. CLARK: Ken, then I asked you to give a parameter.

MR. WISEMAN: And the parameter was 10 percent or more.

THE WITNESS: It appears that it's certainly more stable.

BY MR. WISEMAN:

Q Are the costs that FPL incurs in order to serve customers whose loads during coincident peak swing by 10 percent or more?

MS. CLARK: Would you repeat that question? We're not sure we understand it.

BY MR. WISEMAN:

Q Does FPL incur certain costs to provide service to ratepayers whose usage during coincident peaks swing by 10 percent or more that are costs that are not necessary to serve rate schedules whose coincident peaks do not swing to that extent?

A I can't answer that question.

Q Who -- who would be the right witness to ask that question to?

A I don't know.

Q Can you tell me on this -- let's now look at page 19 of 25. This is -- in attachment 2, this is the schedule that shows the data for the residential class, correct?

A Yes.

Q Now, going back down towards the bottom of the page again, we see those entries and the columns NCPRP through CPRP. Do you see those entries?

A Yes.

Q Now, would you agree that looking at these entries in -- on page 19 with respect to the residential class, that the percentages range from, it looks like, around 3 percent up to maybe a height of approximately 8 percent. Do you agree with that?

A Yes.

Q And going back to page 2, which referred to the CILC-1D class, the percentages there look like they're generally in the .5 percent range, correct?

A That is correct.

Q All right. What -- going back to page 19, can you tell me what it means to you concerning the statistical measure of the data that had been applied here on page 19 for the residential class as compared to the statistical measure for the CILC-1D class?

MS. CLARK: Ken, I would ask you to repeat that or break it down. That sounds a little bit vague to me. I'm not exactly sure what you're asking.

BY MR. WISEMAN:

Q All right. You would agree that the percentages that are shown on page 19 are higher than the percentages that were shown on page 2; is that correct?

A Yes.

Q And the fact that there are higher percentages in your study with respect to residential class, I want to know what that signifies to you in terms of the accuracy of your data here for the residential class.

A Yes, Ken. The percentages are higher. That's because the residential class is a sample class whereas the CILC is 100 percent metered as we call it. Those percentages are all within the 10 percent threshold that the load research rule, the PSC load research rule requires.

Q All right. Let's go forward to a different topic. Do you have with you the response to SFHHA Interrogatory No. 142?

A Yes, I do.

Q Now, Mr. Ender, you were responsible for providing the response to this interrogatory request; is that correct?

A Yes, that's correct.

Q Okay. Please turn to page 2 of the request. Actually it's page 2 of the document, which is page 1 of an attachment. Do you have that?

A Yes, I do.

Q Okay. Now, there are various percentages set forth on this page. Can you tell me what those percentages represent?

A Those are the load factors.

Q So these would be load factors on a monthly basis?

A That's correct, for each one.

Q Is this the -- let's just use HLFT-3 as an example. DO you see that? It's sort of toward the middle of the page.

A Yes.

Q All right. For coincident peak, or CP, I'm looking in the month of January, there's a figure of 92.92 percent. Do you see that?

A Yes, I do.

Q Now, was that the load factor on the date that the coincident peak was achieved in January?

A This is based on -- I believe this is two years of data, because the HLS-3 came in in 2006 and I'm not -- so that would be two years of data.

Q What I'm trying to find out is --

A Can I verify that, Ken?

Q I'm sorry?

A Can I have a minute to verify that, please?

Q Oh, sure.

A Again, that would reflect two years of data, as I had indicated.

Q All right. And is that data for a specific hour or is it data for a month?

A Well, that would be based on the coincident peak hour and it would be the load factor taking the total demand, total average consumption divided by 8760 and dividing that by the coincident peak.

Q Very good. All right. We can -- let's now refer to your direct testimony, if we could, page 12. At lines 14, starting at line 14, you say, "In developing these ratios, adjustments were made to account for historical load control events and to address the effects of customer migration between rate classes." Do you see that?

A Could you bear with me one second? I've got books everywhere here. What page are we referring to?

Q Page 12, line -- starting -- the sentence that begins at line 14.

A Okay. "Developing these ratios, adjustments were made to account for historical load control events and to address the effects of customer migration between rate classes." Yes.

Q Okay. Can you tell me what adjustments were made to account -- well, first of all, what do you mean by the term "historical load control events"?

A Well, the historical load control events is when we actually interrupt customers. And we had, let's see -- we had two events, one in 2000 and -- well, actually three events, 2005, 2006, and 2007. And those primarily affected the RS, the residential and GS classes.

Q All right. And then can you tell me what adjustments you made to account for the text on customer migration?

A Yes. Well, for example, let me just --

MS. CLARK: He's going to take a minute to look at some information.

MR. WISEMAN: Okay.

A Ken, the type of adjustments that we made were, for example, in the case of the GSD class where we had the implementation of the new HLFT-1 class. And customers are migrating out of the GSLD class to the HLSD-2. I'm sorry, GSLD-1 TO HLSD-2. And because of the migration -- and we excluded 2005 data because that would be nonrepresentative because it's before the implementation of the class. And the same was true for the GSLD-2, which of course that were for -- the new HLSD class.

BY MR. WISEMAN:

Q All right. Now, can you refer to FPL's response to SFHHA's POD No. 7?

MS. CLARK: Ken, is that one of the ones you asked us to have?

MR. WISEMAN: Yes.

A It is? I didn't see that, Ken. Say that again, the 7th.

BY MR. WISEMAN:

Q POD No. 7. It was in the first request for production of documents. It was attached to -- if you have my email from yesterday, it was attached --

A Oh, okay. Yeah, yeah, yeah. There you go.

Q Okay. Do you have that?

A That's correct.

Q All right. Now, were you responsible for providing the answer to this POD?

A Yes.

Q So am I to understand then that this is an accurate answer, that there were no documents responsive to this request for production of documents?

A Well, you asked for an analysis, a customer migration analysis. We haven't done a customer migration analysis. We know from the fact that customers from the GSD class and the GSLD classes were migrating to the new HLFT classes, and that is why we eliminated -- and the consumption patterns reflected that, the load factors reflected that.

Q But you didn't do an analysis to determine the revenue impact?

A No, not at all.

Q Okay. Let's refer now if you could to the next document that I provided in the email. It was FPL's response -- it was a document that was produced in response to SFHHA POD request No. 30. Do you have that?

A Can you describe the top page of it, please?

Q Yes. And the top page is really the only one I want to ask you questions about. It's a bar graph.

A Yes.

Q Now, were you responsible for producing the documents responsive to this -- to that request?

A No, I was not.

Q So you would not be the appropriate witness to ask questions of about this document?

A That is correct.

Q Are you familiar with this document?

A No.

Q Okay. All right. Let's refer to your rebuttal testimony, if we can. I'd refer you to page 5.

All right. Now -- do you have that?

A Yes, I do.

Q On your testimony starting on line 16, there's a question there that -- and the answer runs over onto the following page. If I understand that testimony, while you disagree with Mr. Baron in other respects, you are in agreement with him that the need for additional resources on FPL system is driven by the summer reserve margin criteria; is that right?

A Yes. I said, "While FPL's projected mean for additional resources is currently driven by the summer reserve margin criterion, Mr. Baron's characterization fails to consider other key factors of FPL's generation plan that drive capital expenditures on FPL's system."

Q Right. So -- and I understand that you have a disagreement with him in other respects. I'm just trying to focus on one area where I think you are in agreement. And I just want to confirm that, that you would agree with Mr. Baron that the need for additional resources on FPL's system is driven by the summer reserve margin criteria, correct?

A That is only one of the factors that drives capital expenditures at FPL.

Q Is it -- is it a factor that drives the need for additional resources on FPL's system?

A It is one of three factors.

Q Well, if I understood your testimony, I thought what you were saying was that while it drove the need for additional capacity on the system, it did not necessarily drive the determination of the type of generation capacity that would be added. Did I -- is my understanding of your position correct in that respect?

A If you could repeat that again just to make sure that I'm clearly understanding what you're saying.

Q Yes. As I understood your testimony, I thought your position was that the summer reserve margin criterion drove the need for additional generating capacity on the FPL system but there were other factors that drove the decision on the type of generating capacity that would be added to the system.

A And therefore the cost that would be incurred for those generating capacities.

Q With your addition, you are in agreement with my statement, correct?

MS. CLARK: Ken, just a minute. We'll come back on the record in a minute.

MR. WISEMAN: All right.

(Off the record.)

A Okay, Ken. It is one of the factors, one of the reliability factors. There's two other reliability factors that FPL uses in determining the need for additional capacity. And those are the winter reserve margins and the loss of load probability criteria.

In addition to that, there's also the number of hours the unit is expected to run in determining what is the proper generating unit for that and therefore the cost.

Q All right. Let's try this this way. Refer to page 6 of your rebuttal testimony at lines 8 through 11. You say there, "If megawatt capacity were the only consideration in the generation plan as suggested by Mr. Baron, the company's resources would consist solely of gas turbine peaking units. This is clearly not the case, nor should it be."

First of all, I read that correctly, right?

A Yes, you did.

Q Okay. Now, are you suggesting that FPL's installation of combined cycle units as opposed to peaking units is driven principally by FPL's desire to produce fuel savings for its customers?

A I believe that what I indicate in my testimony, which is a direct quote from the resource assessment and planning witness, is the type of resources that should be added is primarily based on examination of the resources that result in the lowest average electric rates for FPL's customers.

Q All right. And my question -- well, let me ask it this way. Do you have any independent knowledge of what type of generating capacity should be added to the system other than your quote from Dr. Sim that's referenced on page 6 of your testimony?

A No, I do not.

Q All right. So if I were to ask you questions then concerning whether FPL would add combined cycled units solely to serve the needs of commercial class customers, do I understand that you would not be -- you would not have information available to you to answer that question?

A No. That would not be within the scope of my testimony.

Q Is that within the scope of your job responsibilities?

A No, it is not.

Q So then it's not -- this will be a negative-negative. But you're not testifying then that FPL's installing combined cycle generating plants primarily due to the needs to serve commercial class customers?

MS. CLARK: You know, I find that difficult to understand. Can you --

MR. WISEMAN: It was difficult to understand. I agree.

BY MR. WISEMAN:

Q Let me ask it in a different fashion. Is it your testimony that FPL's installing combined cycling generating plants primarily due to the needs of commercial class customers?

A That's not my testimony, no.

Q Okay. Is it your testimony that but for the needs of commercial class customers, FPL would install peaking units instead of combined cycling units?

A No, no. That is not what I meant by this statement here. If the only consideration -- all I was saying was the statement on page 6, lines 8 through 10, that if the only consideration was the peak demand, that then we'd only have combined gas service peaking unit. But that's not the only consideration.

Q What -- would FPL be capable of operating its system if it only had peaking units available?

MS. CLARK: Ken, I really think this is going beyond the scope of what Joe is testifying to.

MR. WISEMAN: Well, he's testified at page 6, I quoted the testimony, that he brought up the subject of gas turbine peaking units.

MS. CLARK: I agree. But you've gone one step beyond in asking him about the operation of FPL's system.

MR. WISEMAN: Well, I think I'm entitled to question him about his qualifications to offer the testimony that he's provided, and that's what I'm trying to get at.

MS. CLARK: Well, I'm going to object to the question and I'll allow him to answer. Would you ask it again?

BY MR. WISEMAN:

Q Sure. Is it your --

MR. WISEMAN: Well, can the reporter read back the question? I don't recall which one I had asked.

(Requested portion read by reporter.)

A I don't know. That's beyond the scope of my testimony.

BY MR. WISEMAN:

Q All right. There's one last question on this subject then. Well, a couple of questions. What's your educational training, Mr. Ender?

A My educational training?

Q Yes.

A I am an accountant.

Q And you don't have a engineering degree, correct?

A No, I do not.

Q Would you agree that you are not qualified to testify about what type of generating capacity FPL should add to its system from an operational standpoint?

A Could you please repeat that question again.

Q Would you agree that you are not qualified to offer testimony about the type of generating capacity that FPL would add to its system from an operational -- due to operational reasons?

A That is not within the scope of my testimony but I am familiar with it in order to do what I do from a cost-of-service perspective.

Q Well, then I'm going to ask you the question again. Since you -- is -- is -- could FPL operate its system if it installed only gas turbine peaking units?

MS. CLARK: We're going to go off the record for a minute.

MR. WISEMAN: Okay.

(Off the record.)

MS. CLARK: Back on the record.

THE WITNESS: Mr. Wiseman, I am not qualified to tell you how FPL runs its system or how it should run its system or could it run the system with just peaking units.

All I can tell you is that from the perspective of the cost service study and looking at only one component as the measure of expanding capacity, I'm just coming to a conclusion that if that's the only thing we looked at, then it would be based on gas turbine units, which is clearly not the case. And that's evident, that it's not the case. We don't operate just gas service.

BY MR. WISEMAN:

Q All right. Let's refer to a little bit further down on page -- on page 6 of your rebuttal testimony. You discussed this briefly with Ms. Kaufman. Do you see where you discussed these two other reliability criteria, the winter reserve margin of 20 percent and maintaining an LLOC of 0.1 days per year or less? Do you see that?

A Yes, I do.

Q Okay. Now, can you tell me how those two criteria trigger the need for capacity in excess of that which FPL needs to serve its summer peak?

MS. CLARK: Ken, would you -- is your question -- would you repeat your question?

BY MR. WISEMAN:

Q Yeah. How -- there were two criteria that you referred to on your opinion on page 6 of your rebuttal testimony. Those criteria are, one, a winter reserve margin criterion of 20 percent and, two, maintaining an LLOP of 0.1 days per year or less. And my question is, can you tell me how those two criteria trigger the need for capacity in excess of what FPL needs to serve its summer peak?

A Okay. As I mentioned to Ms. Kaufman, is that there are three reliability criteria. One is the summer reserve margin, 20 percent, the winter reserve margin of 20 percent, and that the average -- and the loss of load probability criterion. Any of those could trigger the need for capacity.

Q Do you -- let's talk about the loss of load probabilities specifically. Tell me specifically how that specific criterion can trigger a need for capacity in excess of the summer coincident peak.

A Ken, I'm going to have to ask you to repeat that question, because I think it was a little bit --

Q All right. I'll repeat it again. Tell me, with respect to the LLOP criterion, tell me how that specific criterion can trigger a need for FPL to have capacity in excess of that needed to serve its summer peak.

A Ken, I'm sorry to be coming at it the same way that I came at it the first place. This is just the way it is. I mean, we have three reliability criteria and, in fact, characterized as the trip wire. Any of these can trip off the need for additional capacity. And the three of them are the reserve -- summer reserve margin of 20 percent, the winter reserve margin of 20 percent, or our ability to not meet the loss of load probability criterion of .1 days per year.

Q And I understand that those are what you're saying the criteria are. But what my question is trying to focus on is why are those the criteria? And I'm asking you specifically about the loss of load probability criterion. And I understand that it's a criterion that you rely on. But I want to know what your reasoning is, why is that a criterion? Why would that trigger a need for the addition of capacity in excess of capacity that FPL needs to serve its summer peak, if you know?

A Well, I think that I'm okay with a lot of your question, up until the point that you say that it's --

that it's driving the need for excess to the summer capacity. And these are one -- any of those three can cause the need for additional capacity. It's not going to be that the summer trips -- the trip wire and then we have the average load -- load -- the average -- I mean, the loss of load probability trip it on top of that. No. It's one or the other or the other that would trigger the need for additional capacity.

Q Well, let's try this as a hypothetical. First of all, I think the summer CP is around 21,000 megawatts, megawatt hours; is that correct?

MS. CLARK: Let us see if we can find something.

BY MR. WISEMAN:

Q Okay. If you look at the MFR we were talking about earlier, that could be a source of the information.

A We confirm it's around 12, that's correct.

Q So let's use 20,000, just because it's an easier number to deal with. If the coincident peak is about 20,000 and you have a reserve margin of 20 percent, that means that FPL has generated a capacity of approximately 24,000 megawatts to serve summer peak, correct?

A Give or take, that's fine.

Q Okay. Now, so my question is, if you assume FPL has approximately 24,000 megawatts of capacity available to serve a summer peak of 20,000, what is it that could occur that would -- in terms of the loss of load probability criterion to cause FPL to add capacity in excess of the 24,000 that we're talking about?

A If you meet the 24,000 criteria, that means that the other ones didn't trip it, so you're fine.

Q All right.

A I mean, that's -- that's the way the mechanism works. If you add additional capacity to -- because of the summer is what drives it, then that -- that test is over.

Q Right. And, in fact, isn't the reserve margin the reserve capacity? What -- well, let me ask you. What is the purpose of the reserve capacity?

A To ensure that we have sufficient capacity to meet peak demand.

Q Okay. Thank you. Let's move to another subject.

A That's true for the other two as well.

Q All right. Let's --

A -- in the loss of loads.

MS. CLARK: Ken, are you -- how much longer do you have?

MR. WISEMAN: Not much. We're closing in on the end.

MS. CLARK: Okay. Because I want to take a break before Renae's deposition.

MR. WISEMAN: No, I think we should. But I think we're closing in on the end. Just a little bit more.

MS. CLARK: Okay.

MR. WISEMAN: I would think 15 minutes maybe. Maybe less.

MS. CLARK: Okay.

BY MR. WISEMAN:

Q All right. Let's refer to page 9 of your rebuttal testimony, starting at line 13 through 19. You talked about Mr. Baron's testimony concerning the minimum distribution system; is that correct?

A That's correct.

Q All right. Now, I believe you state there -- and we'll refer to the minimum distribution system as MDS; is that okay?

MR. WISEMAN: I apologize. My phone is ringing.

MS. CLARK: That's your next deposition, Ken.

MR. WISEMAN: I think that's right. That means I better get this done quickly.

BY MR. WISEMAN:

Q Can we refer to the minimum distribution system as MDS?

A Yes, we can.

Q All right. Now, can you -- I believe that you state in that testimony that MDS is not reflective of FPL's distribution system; is that right?

A That is correct.

Q Can you explain to me why that -- why you believe that to be the case?

A Because FPL's distribution planning does not consider customers as the main criterion for expanding their infrastructure. It is demand that is what drives capital cost in the distribution infrastructure arena.

Q Well, let me ask it this way. Is customer -- let's talk about the MDS methodology as a theory as opposed to talking about its application to FPL. Is the MD -- is customer density -- strike that.

How does customer density relate to a decision to use or not use the MDS methodology?

A Could you repeat that again, please?

Q Sure. How -- let me rephrase it. Let me rephrase it.

Tell me, what does customer density have to do with the MDS methodology?

A I'm not sure.

Q Does it have anything to do with the MDS methodology; do you know?

A I am not sure, other than in the case of the CHELCO case that, you know, the Commission has identified was one of the unique characteristics of CHELCO that caused it to deviate from their standard rejection of this methodology for all -- in all previous cases.

Q Well, does that mean that other than your information about the -- and I'm sorry, what's the name of the case?

A The Choctawhatchee -- I believe I mentioned it in my testimony.

Q Yes, you do. Other than that case, you don't have direct information about the MDS methodology; would that be consistent with your testimony?

A No. We haven't done any analysis on it for -- for FPL.

Q Okay. Can you tell me, does FPL install certain facilities on its system without regard to the level of service that customers will take through the use of those particular facilities?

A I believe FPL does do that but that's why we're fortunate to have a very strong contribution in aid of construction rule, that basically if the revenue streams are not sufficient to cover the cost, then the customer pays the contribution to a structure.

Q To your knowledge, are there any exceptions to that rule other than -- are there any facilities built without regard to the level of service customer will take other than ones that are funded through contributions in aid of construction?

A No, I'm not aware of any others. But I believe the contribution in aid of construction is the right way to do it. It's the cost bearer -- the cost causer is bearing the cost.

Q Do you have Mr. Baron's testimony there?

A Yes, I do.

Q Well, I actually -- you're one up on me. I don't. One moment.

Do you recall that he has a table where he sets forth certain facilities and with an indication of how many customers are served off of those facilities, according to FPL's testimony?

MS. CLARK: Ken, you're going to have to help us on that, I think.

BY MR. WISEMAN:

Q Give me a second and I'll get the testimony. Just one second. All right. Sorry. Refer to page 24 of Mr. Baron's testimony, table 1 there. Do you see that?

A Yes, I do.

Q Do you have any disagreements with Mr. Baron about the calculations that are set forth in that table?

A Yes. Actually we looked at the calculation and tried to recreate it. And he had some errors in his calculations and some overstatements.

Q Can you tell me what the overstatements are?

A I don't have them with me.

Q I'm sorry?

A I do not have them with me.

MR. WISEMAN: Can I ask for that to be filed as a late-filed exhibit, the corrections to Mr. Baron's table 1?

MS. CLARK: No, I'm not -- we can write it down as an Exhibit 2. We will look into it. I'm not at this point promising we'll provide the exhibit. Give me a title.

MR. WISEMAN: I'm sorry?

MS. CLARK: What is the title, Ken?

MR. WISEMAN: It's not an exhibit. It's table 1 on page 24 of Mr. Baron's testimony.

MS. CLARK: But what do you want --

MR. WISEMAN: Mr. Ender said that he had certain things, certain numbers here were overstated that he had disagreement with the mathematical calculation. And we will --

THE WITNESS: Well, I have a whole concept of how he --

MR. WISEMAN: Yeah, I understand you have a difference with respect to how he looks at it. I'm asking whether you have a disagreement about the mathematical calculations themselves.

MS. CLARK: Just a minute, Ken.

THE WITNESS: Okay, Ken. We will see what we can do about providing this, but I want to make sure that the record reflects that I do not agree with the analysis that he's done here because we do not allocate pulls, we allocate cost. And pulls are an integral part of our distribution infrastructure, which is erected to supply KW demand to our customers.

MS. CLARK: So Ken, just so I'm clear, we would look at calculate -- provide a recalculation of exhibit --

MR. WISEMAN: It's simply -- all I'm looking for, as I understood Mr. Ender to say, that he had -- that he thought Mr. Baron made errors in the calculations. And all I'm looking for is the corrections to those errors.

MS. CLARK: So I'm titling it a recalculation of Mr. Baron's errors --

MR. WISEMAN: Table 1.

MS. CLARK: -- on page --

MR. WISEMAN: Twenty-four.

MS. CLARK: Okay.

BY MR. WISEMAN:

Q All right. Last question. Refer to page 17 of your rebuttal testimony. There's a question that's posed there that concerns some other calculations that Mr. Baron provided. Do you see those? Do you see that question?

A That's the one starting on line 17?

Q Yes.

A Okay.

Q And the -- specifically what's referred there -- to there is that Mr. Baron indicated that the parity ratios for the HLFT-2 and HLFT-3 rate classes from the 2007 actual cost of service results were 0.61 and 0.60, while the 2010 year projected parity ratios are 0.34 and 0.36 respectively. My question is, do you have any disagreement with Mr. Baron about those mathematical calculations?

A No, I do not.

MR. WISEMAN: All right. Thank you. I have no further questions, Mr. Ender. Thank you very much. I appreciate your time.

THE WITNESS: Thank you.

MS. CLARK: Now I have a question. Is this transcript going to be expedited?

THE COURT REPORTER: Yes, it will be ready tomorrow.

MS. CLARK: Very good. And we will look at it and get our -- any corrections or errata back to you likewise on an expedited basis.

MR. WISEMAN: And I assume we're off the record.

(Deposition concluded.)

* * *

CERTIFICATE OF REPORTER

STATE OF FLORIDA)

COUNTY OF LEON)

I, LORI DEZELL, Registered Professional Reporter, certify that the foregoing proceedings were taken before me at the time and place therein designated; that my shorthand notes were thereafter translated under my supervision; and the foregoing pages numbered 1 through 77 are a true and correct record of the aforesaid proceedings.

I further certify that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 21st day of August, 2009.

____

LORI DEZELL, RPR, CCR
Notary Public
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850-878-2221

ERRATA SHEET

I have read the transcript of my deposition, pages 1 through 78, and hereby subscribe to same, including any corrections and/or amendments listed below.

DATE (JOSEPH ENDER)

(DOCKET 080677-EI)

Page/Line	Correction or Amendment	Reason for Change

Reporter: Lori Dezell 8/20/09

ERRATA SHEET

Under penalties of perjury, I have read the foregoing transcript of my deposition, pages 1 through 78, and hereby subscribe to same, including any corrections and/or amendments listed below.

8/25/09 DATE

Joseph Ender

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
2/34	"Sura" to "Serra"	Misspelling
6/01	"--FPL's" to "FPL plans"	Typo
7/02	"filings" to "classes"	Typo
7/12	"and cost" to "cost"	Typo
7/14	"price" to "process and"	Typo
9/01	"fitting" to "meeting"	Typo
10/01	"make" to "meet"	Typo
12/02	delete "10"	Typo
15/08	"culled" to "also called"	Typo
15/21	"increases" to "incurs"	Typo
16/08	"class," to "class at"	Typo
16/08	"set" to "said"	Typo
17/18	"9" to "10"	Testimony errata
19/23	"demanding factors" to "demand"	Typo
19/23	"we had" to "we have"	Typo
20/07	"GMCP" to "GNCP"	Typo
20/08	"MCP" to "NCP"	Typo

25/14	"50" to "15"	Typo
26/02	"used" to "use"	Typo
34/20	"LLP" to "LOLP"	Typo
37/24	"grouped" to "group"	Typo
38/03	"CMPC" to "GNCP"	Typo
45/22	"MCP" to "NCP"	2x Typo
45/23	"NPPR" to "NCP RP"	Typo
46/03	"position" to "precision"	Typo
46/23	"9-point center" to "non-coincident"	Typo
47/02	"CILC1-D" to "CILC-1D"	Typo
49/15	"height" to "high"	Typo
52/2	"HLS-3" to "HLFT-3"	Typo
52/15	"average" to "energy"	Typo
54/02	"HLSD-2" to "HLFT-1"	Typo
54/02	"HLSD-2" to "HLFT-2"	Typo
54/07	"HLSD" to "HLFT-3"	Typo
56/16	"mean" to "need"	Typo
60/22	"combined" to "combustion"	Typo
60/22	"service" to "turbines"	Typo
63/14	"service" to "turbines"	Typo
66/18	"12" to "21"	Typo
73/15	"pulls" to "poles"	2x Typo

Reporter: Lori Dezell of Accurate Stenotype Reporters, Inc.
Date of Deposition: 08/20/09

Petition for rate increase by FPL - Docket No. 080677-EI

Verification of Witness Baron's Secondary Poles Per Customer Calculation
As Shown on Table 1, Page 24 of Mr. Baron's Testimony

	Mr Baron's Calculation Using Correct Numbers						Per Mr Baron's Testimony			
	Number of Secondary Poles	FPL105 Allocation Factor	Poles Allocated to Rate Class	Number of Customers	Poles Per Customers	Poles Per Every 35 Customers	Poles Per Customers	Poles Per Every 35 Customers	Error / Overstatement in Calculation	% Error
CILC-1D	185,256	1.44%	2,675	348	7.69	269.07	9.62	336.70	67.63	25.14%
CILC-1G	185,256	0.15%	269	109	2.47	86.32	2.47	86.32		
GSD1	185,256	21.40%	39,641	102,958	0.39	13.48	0.39	13.48		
GSLD1	185,256	4.77%	8,831	1,764	5.01	175.20	5.18	181.30	6.10	3.48%
GSLD2	185,256	0.53%	974	69	14.05	491.58	18.79	657.65	166.07	33.78%
HLFT2	185,256	3.97%	7,346	1,217	6.03	211.18	6.18	216.30	5.12	2.42%
RS1	185,256	57.23%	106,024	4,007,114	0.03	0.93	0.03	0.93		

As stated by Witness Baron, the above summarizes the implicit allocation of secondary poles based on FPL's allocation to rate classes based on demand. FPL believes MR. Baron's analysis is purely a mathematical exercise that has no meaning or application in the allocation of distribution costs to rate classes. The purpose of the cost of service study is to allocate costs to rate classes, not to allocate number of poles or feet of conductors to rate classes. Primary and secondary poles and conductors are part of the distribution system infrastructure used to deliver electricity to FPL's customers. It is kW demand, not customers or poles per customer, that drive the distribution infrastructure costs on FPL's system.

Docket No. 080677-EI
A Recalculation of Mr. Baron's
Errors: Table 1 of Page 24 of
Witness Baron's Testimony
Late Filed Exhibit No. 1 to
FPL Witness Ender's Deposition
Page 1 of 1

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: PETITION FOR INCREASE IN RATES BY FLORIDA POWER & LIGHT COMPANY. DOCKET NO. 080677-EI

_________________________________/

VOLUME 1 (PAGES 1 - 94)

TELEPHONIC DEPOSITION OF:	KIM OUSDAHL
TAKEN AT THE INSTANCE OF:	The Florida Public Service Commission
DATE:	August 19, 2009
TIME:	Commenced at 12:30 p.m. Concluded at 6:45 p.m.
LOCATION:	Florida Public Service Commission 2540 Shumard Oak Boulevard Room 382D, Gunter Building Tallahassee, Florida
REPORTED BY:	ANITA M. PEKEROL, RPR, CP, CM Certified Realtime Reporter

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I N D E X

E X H I B I T S

P R O C E E D I N G S

- - -

IT IS STIPULATED that this deposition was taken pursuant to notice in accordance with the applicable Florida Rules of Civil Procedure; that objections, except as to the form of the question, are reserved until hearing in this case; and that reading and signing was not waived.

IT IS ALSO STIPULATED that any off-the-record conversations are with the consent of the deponent.

- - -

MS. BENNETT: Let's start with taking appearances. John, do you want to go first?

MR. BUTLER: Sure, that's fine. John Butler on behalf of Florida Power & Light Company. And I'm here with the witness, Kim Ousdahl. And also attending, Gloria Lopez, Bert Gonzalez, and Chris Randolph.

And then we have Ms. Bussey here, a notary who will be swearing Ms. Ousdahl in as we did with Mr. Barrett.

MS. BENNETT: Jon Moyle?

MR. MOYLE: Jon Moyle appearing on behalf of the Florida Industrial Power Users Group, FIPUG.

MS. BENNETT: Office of Public Counsel?

MR. BECK: Hi, Lisa. This is Charlie Beck with the Office of Public Counsel. And we have a number of people I believe calling in separately, Trisha Merchant, Kim Dismukes, and Sheree Brown.

MS. BENNETT: Okay. Do we have any other intervening parties on the telephone?

MS. GRIFFITHS: Meghan Griffiths for the South Florida Hospital and Healthcare Association.

MS. BENNETT: Anyone else?

And for Public Service Commission, Lisa Bennett with the General Counsel's Office.

MR. PRESTWOOD: Clarence Prestwood with staff.

MR. MAUREY: Andrew Maurey.

MR. SPRINGER: Michael Springer with staff.

MR. BUYS: Dale Buys with staff.

MS. GARDNER: Betty Gardner, staff.

MR. HIGGINS: Devlin Higgins, staff.

MS. BENNETT: I think we're ready to begin. Go ahead and let's, Ms. Notary, have the witness sworn in.

THE NOTARY: Okay. My name is Jacqueline Bussey, and I'm a notary duly appointed and commissioned here in the State of Florida. Kim Ousdahl, in the matter of its petition for increase in rates by Florida Power & Light Company, Docket Number 080677-EI, do you solemnly swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth?

THE WITNESS: I do.

MR. BUTLER: We had a fax number of 413-6250 before. Does that still work?

MS. BENNETT: That still works.

MR. BUTLER: And Anita, same reporter?

MS. BENNETT: The same reporter.

MR. BUTLER: All right. Okay. Well, we'll get this faxed off then shortly, and we are ready to proceed.

MS. BENNETT: Very good.

DIRECT EXAMINATION

BY MS. BENNETT:

Q. Ms. Ousdahl, my name is Lisa Bennett. I think we have met once before in deposition. I still like to go over a few things with every witness beforehand.

I think first of all we agree as attorneys that all of the objections, except for an objection to form, are preserved or reserved. I'm not sure which is the right term.

Ms. Ousdahl, I want you to understand that if there is any question that I'm asking that is, that you are not clear about and you need me to clarify, let me know, and we'll stop and I'll try and explain it. And if I can't explain it real well, we'll go off the record and then one of my technical staff will help me understand it and I'll redo it again. Is that okay?

A. Absolutely.

Q. Okay. And with that, I am ready to begin with a very simple question. What is your position at FPL, Ms. Ousdahl?

A. I am controller of Florida Power & Light Company.

Q. And let me ask, am I saying your name correctly?

A. Ousdahl, yes. Yes.

Q. Very good. And you are you said controller of Florida Power & Light Company?

A. That's correct.

Q. What are your responsibilities as

controller?

A. I am responsible for all of the financial reporting internally, management reporting around the utility, all of the asset accounting for our $26 billion in assets and the regulatory accounting that supports the sorts of functions that we are undergoing here today.

In addition, I have tax accounting responsibilities for the utility, but that does not include tax compliance, which is performed at the corporate level.

Q. Okay. And you filed testimony in Docket Number 080677, which is the FPL petition for rate increase; is that correct?

A. I have.

Q. And you have sponsored several minimum filing requirements or co-sponsored them?

A. I have.

Q. And also I believe that you responded to several interrogatories both for staff and for other intervening parties; is that correct?

A. Yes, I have.

Q. Since filing your direct testimony, do you have any changes or corrections to that testimony or to the schedules?

MR. BUTLER: Lisa, I would note we're going to be I think by the end of the day, you know, filing an errata as we had discussed at the prehearing conference. And there will be I think some for Ms. Ousdahl's testimony, minor, but do you want her to run through those here? I'm not sure that she has them sitting right in front of her, but we will be filing that very shortly.

MS. BENNETT: Were they based upon what we discussed at the prehearing conference, there were some changes in I think the depreciation witness' testimony; is that correct?

MR. BUTLER: I am not remembering that. I am not remembering that.

MS. BENNETT: John, I think we're fine with getting the errata later. If we have any questions, we'll ask next week.

MR. BUTLER: Ms. Ousdahl is indicating she may not even have any minor ones. I think it is safe to say there are no substantive ones.

THE WITNESS: That is a fair statement. I have no substantive errata.

MR. BUTLER: Okay.

BY MS. BENNETT:

Q. I do have a question, will there be an errata adjustment for an overstatement of the spent fuel inventory for FPL's capitalization of its nuclear fuel lease? I think you mentioned it in interrogatory number 184.

A. Maybe this is a procedural question and I need to defer to John, but the change in the nuclear fuel amount is included in KO-16 with all of the other adjustments that we provided for Commission and parties' consideration.

Q. Okay. So you don't need to do an errata because you caught that in your rebuttal testimony, Exhibit KO-16?

MR. BUTLER: That's right. And, Lisa, just to explain to you and probably to others, we have sort of consolidated those adjustments and their bottom-line impact in KO-16. We're not proposing to go through and restate every number and every testimony that would be impacted by those adjustments because it just seemed to us that it would be, you know, too confusing to everyone to be making those sorts of changes, which is why, as you saw in the statements of our positions on a lot of the issues, that we say the positions are subject to the adjustments in KO-16.

That is kind of the way that we propose to handle it so that it is easier to follow the case everybody has been, you know, reviewing and then seeing at sort of the bottom-line level what the adjustments -- or how they impact it.

MS. BENNETT: Okay. That may eliminate some questions at the end on KO-16. I think there was a little confusion from staff. But we'll probably still have some.

BY MS. BENNETT:

Q. But right now, Ms. Ousdahl, I would like for you to turn to MFR D-1B and turn to page 1 of 6. Actually, there is six pages. We'll be asking questions from all of them.

A. I'm there.

Q. On page 1 of 6, tell me what year that is for.

A. It covers years '08 through '10.

Q. 2008 through 2010?

A. That's correct.

Q. I forgot to ask, you did sponsor these

MFR schedule D-1Bs, correct?

A. I did. I have co-sponsors on D-1A, but I sponsored D-1B adjustments.

Q. Can you tell me what this schedule on D-1B shows?

A. Yes. D-1B provides you the detail that is reflected at a summary level on D-1A in columns 3 and 4; that is it provides those amounts by type that we are adjusting to be able to reconcile our per books cost of capital, or our per books capitalization, I'm sorry, to our rate base.

Q. Okay. I am going to go through this kind of slowly, I think. We'll see. But I want to get in your own words a more detailed description of each of the Commission adjustments on each page of the MFR schedule D-1B starting with page 1 for both the 2010 and 2011 test years.

And while we're working through this, you might also want to be referring to interrogatory number 115 from staff.

A. All right. I don't have 2011 in front of me. If you will let us get that. I only have D-1B through 2010, so we will need to pull that. And then also the interrogatory. Okay. I've got the interrogatory. I'll start and maybe they can put that in front of me.

Q. My first question -- well, it is for both the 2010 and 2011, but let's start with 2010.

A. I think you may have to -- I'm sorry. We're going to have to go to another room to pull 2011. I apologize. I just pulled the 2010.

Q. No problem. Does the line item -- let me back up. Does the line item nuclear fuel capital leases include plant, CWIP, or both? Do you see where I'm at, line 4?

A. Yeah. I'm thinking.

Q. Oh, okay.

A. Because that's the Commission adjustment where we are excluding the, both the capitalized leases from the utilities book, and it would include all capitalized lease costs, so anything that had not yet been amortized in fact.

So your question was plant or CWIP? I'm struggling because nuclear fuel has its own account. It is a 120 account. It is not 107 and it is not 101. So I'm struggling a bit.

Q. Do you have interrogatory response number 115?

A. I do.

Q. Would you agree with me that outside

someone has put the words "plant/CWIP" beside item number 4, long-term debt, nuclear fuel capital leases?

A. Right. The interrogatory simply said, please identify which items involve plant, so it was, you know, a question asking us to sort of designate which items involved plant. And we said we were kind of designating anything that would be CWIP or plant, and that's why we noted on each of those plant/CWIP. I don't think it was meant to say that it includes both.

Q. Oh, I'm sorry. Maybe I should rephrase my question, then. I want to know does it include either plant or CWIP or both?

A. Well, again, I'm struggling to answer your question because it includes the capitalized cost, our leases that we utilize to secure fuel for the plant, and those are charged to the 120 account. I believe it is 120.6. So they're certainly related to plant because it is used for power for our nuclear plants. So I think that's what we are trying to designate here. It is plant related.

Q. Well, let me ask the bigger question. Does it accrue AFUDC when it is plant related? And specifically does this account?

A. No. This represents the costs associated with the leases, so there is an interest cost under the lease agreement, but it is not an AFUDC rate, per se.

Q. And what rate is that interest rate at? Is that commercial paper?

A. It should be close to a commercial paper rate, yes. I don't have it right in front of me. But they do issue commercial paper in support of the lease, but it is for the acquisition of the fuel. "They" FPL Fuel.

Q. Was any portion of this line item, the nuclear fuel capital leases, or any of the other line items on this page 1 of 6, financed with non-investor sources of capital such as deferred taxes, ITC, or customer deposit? And do you understand what I mean by "ITC"?

A. That's the tax credit.

Q. Good, because I didn't know if I understood what it was.

So were any portion of these line items financed with non-investor sources?

A. I think I have tried to address this in my rebuttal testimony, and my testimony has been that all of our costs for the company, whether they are working capital, plant related, an expense, asset, or liability, are supported through the overall cost of capital that is available to the company to provide for cash in support of these payments or assets. So I cannot tie for you a source of funds that was specifically used for the payment of these leases to purchase our fuel.

Q. Okay. Let me have you turn to page 2 of the schedule.

A. Okay. I'm there.

Q. On this page we've got non-utility specific adjustments, and I think they're located on the first two line items; is that correct?

A. That's correct.

Q. Line items 9 through 15 detail Commission pro rata adjustments; is that correct?

A. Correct.

Q. Line items 1 and 2 do not contain plant or CWIP; is that correct?

A. Well, it is not relevant. If it did contain plant, it is non-utility property. We're excluding it because it is not related to the provision of electric service. So whether that was land that was owned in line 1, it really doesn't matter. It is irrelevant.

Q. Okay. Can you identify for me which line items contained on this page include only plant? Now, I know we've already talked 1 and 2 don't.

A. Well, we were trying as best we could to answer the question. It is a little unclear, I guess. We were trying to link the adjustment to its form or type, I guess I would say, and some of these are related to plant and/or CWIP. So that's what we were trying to do.

Q. Okay. Well, then let me go through your interrogatory responses and you can kind of tell me. The nuclear uprate, how is that related to plant and/or CWIP?

A. Well, that represents the amounts in the test year and subsequent year for dollars we would spend associated with the capacity clause -- I'm sorry, associated with recoveries to the capacity clause of our investment in the uprate projects. Those uprates are being performed on plants we have today at Turkey Point and St Lucie.

Q. The court reporter said at Turkey Point and what was the other word?

A. St. Lucie.

Q. Okay. Thank you. What about the

accumulated prov decommissioning costs?

A. That's the accumulated provision for decommissioning, that's costs associated with having to decommission or dismantle our existing nuclear plants at the end of their life.

Q. So that would be plant, it would be related to plant, correct?

A. Yes, it would be related to plant that we have in our fleet today, that's correct.

Q. How about the asset retirement obligation decommissioning?

A. That would be related to plant. That's the, you know, the -- kind of the GAAP accounting credit associated with the decommissioning obligation under our ARO accounting standard. So it is likewise related to the decommissioning associated with the nuclear plants.

Q. Okay. And then the last two, environmental and fuel transportation equipment, tell me how they are related to plant and CWIP.

A. The environmental portion, that 63 million as I understand is related to the environmental clause, so it is some investment having to be made. I don't know if that's plant or CWIP or both, but it is dollars associated with our forecast for 2010 environmental clause expenditures.

Likewise, fuel transportation equipment I believe has to do with the railcars associated with Scherer, I believe it is. But those are plant-related costs being recovered through clause vehicles so they have to be adjusted out of rate base.

Q. Okay. And the court reporter said is it Scherer?

A. I believe it is Scherer. S-C-H-E-R-E-R, I believe that's right.

Q. I'm going to ask you to turn to page 3.

A. I am there.

Q. And there is a lot of line items here, load control, cash capital sub account, construction work in progress. There is a few of these line items that in your response to the interrogatory you don't have plant/CWIP beside. Could you read those that you do not have the words plant/CWIP written beside.

A. Well, on line 3 there is no values for 2010 and 2011, so I don't think it is relevant. Line 10 is the accounts receivable for associated companies, which is eliminated for purposes of rate setting. Accounts receivable - tax refund is a refund that we expect to receive that is reported. Obviously not being received, but reported for 2010 and 2011.

Interest and dividends receivable, line 12, there is no value. 14 is a forecasted under-recovered balance in 2010 and 2011 for clause-related items. That could be plant or not be plant. I mean, basically that's a forecast of an under-recovery for anything that might flow through clause. It is impossible from where I sit to tell you if it is all fuel or if there is ECCR or EC- -- or capacity, or ECRC, capital costs in there. I don't know.

And the last one is pole attachments rents receivable. Those are rents we receive from the use of our poles by third parties such as the phone company.

Q. Other than the ones that have a zero value, for those that aren't designated plant/CWIP, when these were placed in rate base, were deferred taxes created when added to rate base?

A. I think it would depend on the item. I mean, the tax provisions are different depending on the type of property and the vintage. CWIP would have a small amount of deferred taxes, and plant obviously has deferred taxes generally speaking associated with book tax timing differences.

In general that's the case on property. It would have varying amounts and dependent upon the point in time it was placed in service.

Q. Okay. But I'm actually talking about the ones that don't have plant or CWIP beside it. Like, for instance, the pole attachments rents receivable.

A. Okay. Yeah, no deferred taxes that I'm aware of on pole attachment rent receivable.

Q. What about -- I'm going to skip the net under-recovered fuel capacity because --

A. Well, because that might have deferred taxes associated with it.

Q. Okay. But what about the -- let's see. The jobbing accounts don't have a zero balance by them, so let's talk about them. Would they --

A. Well, they're marked as plant or CWIP. I thought you were --

Q. Oh, I'm sorry. I thought they were not. Yes, you are right, they are marked.

Let's see. Interest or dividends receivable is a zero, so I'll ignore that one. The accounts receivable tax refund, it almost seems like a silly question, but when these were placed in rate base were deferred taxes created when added to rate base?

A. No, I don't believe that that is going to be reflected as anything other than a working capital item.

Q. Okay. And the accounts receivable associated costs?

A. That's associated companies. No, it is not.

Q. Why is FPL forecasting under-recovery in 2010 and 2011 for the net under-recovered fuel capacity ECCR and ECRC accounts?

A. We have answered some extensive interrogatories on this, and it -- but depending on the point in time and the cutoff, you know, you develop an over-recovery and you have to run that off over time. They don't just split in a month or two when the rates reset. So as you forecast over time, you will have in certain accounts a remaining under-recovery that is being rolled off and you may begin to build an over-recovery. So you have to look at it by account.

I can't refer you off the top of my head to the interrogatories, but there were extensive answers providing every month's roll forward on those balances.

Q. I'm almost hesitant to ask because if you say staff I'll be really embarrassed; but do you know who asked those questions?

A. No, but we can search. We can pull those. I mean, that's not difficult. I don't remember. Oh, Lord, I don't remember.

Q. That's okay. I don't need you to pull them and provide them for us. We can look.

A. Okay.

Q. I'm going to go back to the several accounts that you don't have plant and CWIP and ask the following question about. Were investment tax credits used to fund these assets? And let's start with accounts receivable associated companies.

A. Well, I'm going to go back to what I said earlier, Counsel, and I apologize. You just asked me were investment tax credits used to fund it. And earlier I thought I was asked were these items related to plant or CWIP. Those are two very different questions. Because I made the statement earlier we can't tie the source, the supporting source of capital to the item. And that would be my response to you on ITC or deferred taxes or anything else. I can't tie the use of a deferred tax, cost free capital dollar, to the support of any one of these items.

Q. Would your answer be the same with customer deposits?

A. Yes. Again, it is a source of funds to be used across our business in any respect.

Q. And that's in your testimony and your rebuttal testimony, that's -- what you are explaining is that -- talk me through that for a minute, what your theory is.

A. Well, what I have tried to articulate in my rebuttal testimony is we have many opportunities to look to sources for funds to support the activities of our business, those activities being investing in assets, incurring expenses, or paying the financing associated with a working capital item.

And those sources, as the Commission defines them and as we cost those out are equity, customer deposits, long-term and short-term debt, preferred stock, for which we have none --

THE COURT REPORTER: What was the last one after long-term and short-term debt?

THE WITNESS: Preferred stock.

MS. BENNETT: Okay.

THE WITNESS: Should I continue?

BY MS. BENNETT:

Q. Yes. The court reporter nodded her head.

A. Okay. -- deferred income taxes and investment tax credits. So all of those items are a source of financial capital to our business. They will be deployed across the business. We will not track the deployment of any one of those dollars of funds. We will simply use those in the conduct of our operations.

And that's the basic, you know, the basic point I'm making in my testimony, that you may be able to tie with some analysis the origin of a dollar of deferred tax to the investment in plant, but you can no longer tie its use once the deferred tax is available to you. It is used across the business.

So, you know, our testimony is, and I think it is supported by prior decisions of this Commission, that we're not reforecasting the balance sheet every period to try to track the use of these funds. We are simply assuming that you have rate base on one hand and you have capital structure on the other. You've got to make those match, and the logical way to do that is to hold your capital structure weightings intact. And we do that through the use of pro forma adjustments.

Q. And as I understand it, though, those pro forma adjustments go across whether that investment was made by the company or whether that is non-company investments like the ITC, the deferred taxes, the customer deposits; is that correct?

A. You will have to clarify your answer because I certainly don't understand how an investment -- I'm sorry, your question. I don't understand how investment tax credit would not be linked to the investment of the company. And maybe I just misunderstood you, Counselor.

Q. Maybe I didn't state it correctly. Let's talk about deferred taxes. Is that money that is invested by the company or is that from other sources?

A. Deferred taxes arrive when the company's tax obligation in a current period is at a different amount than the book obligation. And ratemaking is performed on a book basis. So the greatest amount of deferred taxes arise from the timing differences that are associated with tax depreciation rates versus book depreciation rates.

For ratemaking we receive our revenue based on book depreciation, but the ratemaking process recognizes that we will not remit taxes based on the book rate, we will remit taxes based on a tax rate that is different than the book rate and thus we will have a cash savings relative to the amounts we owe the federal government.

And the way we give the ratepayer credit for that is through the cost, the zero cost capital use of those deferred taxes in capital structure. So they arise from either investments, they could be working capital amounts that give rise to deferred taxes. They arise from the activities of the business overall. And then we deploy that cash all across our business.

Q. Okay. Ms. Ousdahl, you talked earlier about that you believe FPL's pro rata adjustments are consistent with prior Commission decisions. And I think you referred to one of them in your KO-11; is that correct? Actually, I think you referred to several of them, but I'm talking about one regarding Gulf Power, and it is order number PSC-02-0787-FOF-EI, which was issued June 10th?

A. Yeah, June 10th, 2002.

Q. 2002, not this year. And it was a request for rate increase by Gulf Power, correct?

A. That's correct.

Q. And I'd ask that you turn to page 8 of your KO-11.

A. Yes.

Q. And I'd ask you read aloud the second sentence in the first full paragraph.

A. Starting with "It has been..."?

Q. Yes.

A. "It has been our practice to make specific adjustments where possible and to prorate other rate base adjustments over investor sources only."

Q. Do you believe that the Public Service Commission did that in the Gulf rate case? And when I say "did that," did they make specific adjustments where possible and prorate other rate base adjustments over investor sources only?

A. Are you talking about in this decision?

Q. In the Gulf decision, is that what the Commission --

A. In this 2002 Gulf decision?

Q. Correct.

A. No. They went on to describe their further understanding that that would create a double counting of low cost capital due to the fact that Gulf had a number of clause items that were being removed from rate base and recovered through clause.

Q. So on page 33 -- do you have the order itself in front of you?

A. Yes, I have the whole order.

Q. Okay. I'm sorry. I said page 33. On page 37 of that order. And I think it depends on whether you have the PDF or the Word file, but it starts with F, weighted average cost of capital at the top of that page. Are you there?

A. I am.

Q. The third paragraph, the final sentence that starts "Finally." Would you read that aloud?

A. "Finally a pro rata adjustment was made over investor sources to reconcile capital structure to rate base."

Q. And would you agree that the Commission approved the pro rata adjustment made over investor sources to reconcile capital structure to rate base?

A. The Commission approved a very small, as I understand it, $500,000 adjustment to capital structure pro rata over investor sources, but the Commission likewise approved in this order a much larger amount of adjustments related to the clause and other adjustments that the company had in its proposed filing over all sources.

Q. Okay.

A. So this was a final reconciliation that they made for a very small amount.

Q. You also referenced I think it is a soon to be issued TECO order. And you talked about it in your rebuttal testimony, so I'd ask you to turn to page 9, lines 20 to 23, and let me know when you are there.

A. You are in my rebuttal? I'm sorry.

Q. Yes, your rebuttal testimony.

A. I'm there.

Q. Would you go ahead and read starting with the question and then going on through the answer, which I think finishes on the next page, line 3.

A. I must have a different pagination, but you are starting with "Is FPL's position on capital structure..." Is that where you are?

Q. Yes, ma'am.

A. Okay. "Is FPL's position on capital

structure adjustments consistent with the Commission's recent order in the Tampa Electric Company (TECO) rate proceeding?"

Did you want me to continue through the answer.

Q. Please.

A. The answer is: "Yes. The decision on the motion for reconsideration in the TECO rate case on pro rata capital structure adjustments is appropriate and consistent with the approach FPL has recommended and therefore would be the correct application of Commission precedent in this case."

Q. And would you agree that the recommendation approved by the Commission on Tampa Electric's motion for reconsideration also states: "Staff's recommendation on this point is specific to the record in this case and should not be considered precedent regarding staff's position on this or similar issues in future proceedings?"

MR. BUTLER: Are you reading from something, Lisa?

MS. BENNETT: Yes, from the recommendation itself. That was one document I didn't tell you to provide. I don't know if you have it or not.

MR. BUTLER: We do if you can refer to a page.

MS. BENNETT: Page 20.

BY MS. BENNETT:

Q. And it is at the very top. It is not a full paragraph.

A. Right.

Q. It is the last sentence.

A. Yes.

MR. BUTLER: I'm sorry. If you have a question, could you repeat it?

BY MS. BENNETT:

Q. Sure. My question is: Would you agree that the recommendation approved by the Commission on Tampa Electric's motion for reconsideration states very specifically that it -- I should not say states very specifically.

Would you agree that it states that it is specific to the record in the case and should not be considered precedent regarding staff's position on this or similar issues in future proceedings?

A. I see that sentence and I would agree it states that it is staff's recommendation that it should not be considered precedence. As you mentioned earlier, we do not have a final order in the TECO case.

Q. Okay. Are you familiar with other Commission dockets in which the incremental adjustment to rate base was made through a pro rata adjustment over investor sources of capital only?

A. Could you define "incremental reconciliation," please.

Q. I don't think I said incremental reconciliation. It is incremental adjustment to rate base.

A. Okay. I apologize. Could you define what you mean by "incremental adjustment"?

Q. Let me give it a try, and when I mess up, one of the financial people will tell me I'm wrong. How is that?

MR. BUTLER: Fair enough.

BY MS. BENNETT:

Q. My understanding is -- now I'm going to stop right now and I'm going to ask them. I'll be right back on the record. Okay?

MR. BUTLER: All right.

(Discussion off the record.)

MS. BENNETT: We're back on.

BY MS. BENNETT:

Q. Incremental I'm told is company

adjustments versus what was actually approved -- well, off the record.

(Discussion off the record.)

MS. BENNETT: Let's go back on the record.

BY MS. BENNETT:

Q. And I have asked you, Ms. Ousdahl, are you familiar with other Commission dockets in which incremental adjustment to rate base was made through a pro rata adjustment over investor sources of capital only?

A. Yes. As I understand your question, you are defining incremental adjustments to mean any of those adjustments the Commission makes in its final determination of rate base that would require reconciliation to capital structure.

And you pointed me before this deposition to a number of orders of small gas companies where it appears the Commission has used that along with other approaches to reconciling cap structure and rate base.

I believe the answer to your question is, yes, I have seen that.

Q. Okay. You said that there were a number of small, you said gas companies. Were there any electric utilities also?

A. Well, we just talked about Gulf.

Q. Right.

A. We just went through that example. You know, honestly, I got that list from you last night and we printed these orders and I flipped through them trying to find the relevant sections and I thought they were all gas.

Q. Okay.

A. By the way.

Q. And I appreciate you guys bearing with me. It was late last night before I got those to you.

For the record, if you don't mind, let's just quickly touch on the orders. There was an order PSC-09-0375-PAA-EI issued May 27, 2009 for Florida Public Utilities Company in Docket 080366-EI. And would you agree with me that that was an incremental adjustment, as we defined it earlier, or as you defined it earlier, to rate base was made through a pro rata adjustment over investor sources of capital?

A. Yes. I will also note that the equity ratio was unchanged, virtually unchanged in the end from what the company requested. And the pro rata adjustments were very small relative to the total amount of cap structure.

Q. Okay. How about order number 08-0436-PAA-GU in Docket 070592-GU, which was a petition for rate increase by St. Joe Natural Gas Company.

A. Yes, I have that one in front of me also.

Q. And, again, that was an incremental adjustment to rate base made through a pro rata adjustment over investor sources of capital only?

A. Yes. And they have a 60 percent equity ratio and are nearly in, you know, illiquid. It's a very small entity, not at all something that I think is relevant for FPL to be compared to.

Q. Okay. But let's go back to the Gulf docket, I'm sorry, the Gulf order number 02-0787-FOF-EI.

A. Yes.

Q. And I would ask you to turn to page 103 of that order.

A. Yes, I'm there.

Q. Would you agree that it is clear that the Commission ordered incremental adjustments to rate base were removed from the capital structure on a pro rata basis over investor sources of capital only in this docket, showing in attachment 2?

A. Yes, they did. The equity ratio was unchanged and the pro rata adjustments were $500,000. Less than a thousandth of a percent, I believe, of cap structure.

Q. Okay. I'm going to ask you next -- I know I gave you a whole list of orders, but unless you want to tell me about any of the others, let's move on to staff interrogatory number 137.

A. Okay. I have that in front of me.

Q. And you sponsored this response, right?

A. Yes, in concert with my customer service team who are the experts on the Smart Grid investment.

Q. Tell me, who are the individuals that are the experts on the Smart Grid?

A. Well, witness Santos will be covering the investment itself, the company's plan and so forth. I was simply -- you know, this question asks for all the benefits on economic stimulus, and obviously I need to talk to the bonus depreciation and ITC impact, but she would be talking to Smart Grid.

Q. If I get to a question that she is

better capable of answering, just let me know.
A. Okay.
Q. My first one is pretty generic. FPL intends to take the benefits of the bonus depreciation for the year 2009 and the various grant programs for Smart Grid investment, solar and plug-in hybrids; is that correct? Is that my understanding?
A. We're recording bonus depreciation currently in 2009, and we plan to be able to avail ourselves of the grant opportunities associated with Smart Grid through that proposal process that the DOE has in place.
Q. When you say "DOE," tell me what that stands for.
A. Department of Energy.
Q. Thank you.
Has FPL quantified the total amount of potential benefits from this program? I'm sorry, from these programs, not this program.
A. Well, we have reflected for all parties the impact of this depreciation that we are taking in '09 that will roll in as a revenue requirement reduction base in '010 and '011, and the quantification of that benefit is reflected in my

KO-16.

Q. I'm going to turn to your KO-16 to make sure. I think I saw it as the --

A. It is item 1.

Q. Item 1. I thought it was the second item, but I didn't have it open. So tell me about item 1 and how that reflects the quantification of the benefits, the potential benefits of this program.

A. Well, the stimulus provided enhanced tax depreciation for investments that were rolling into service in 2009. So for our company we project to have both West County 1 and West County 2, which are large very significant investments that will be recorded this year, along with other plant service amounts.

And we in our update to KO-16 reached out and reevaluated what our projected additional tax depreciation would be for 2009. That's almost $900 million for the current year. We then rolled that forward. There is no bonus depreciation in '010, but obviously we would continue to have a significant amount of additional deferred taxes that would be left on the balance sheet in '010 and '011 as a result of what we record in '09.

So that is what is reflected in item 1, is the bonus depreciation associated with additional tax depreciation that we take in '09, that rolled forward to '10 and '11. It is $288 million in '010 and $257 million in '011. So that goes into our capital structure at zero cost capital. And the result is a significant reduction in revenue requirements associated with infusing that into the capital structure.

Q. So that 40 million in column 10, it is 40 million plus, is the reduction in revenue requirements?

A. No. I didn't understand your reference to column 10, but on KO-16 we have an impact on 2010 column and that is 40 million and an impact on 2011, 36 million, on item 1.

Q. Very good. Okay. And I think that you explained it. The potential benefits are going to be shared by the FPL ratepayers by reducing the revenue requirements; is that correct?

A. When we book this additional deferred tax, that results, because we are being able to reduce our 2009 tax depreciation so significantly, that results in us recording additional timing differences, which end up being reflected on the balance sheet as a higher balance of accumulated deferred taxes.

When we put that into schedule D-1A, which is our capital structure schedule, and we cost that out at zero, zero cost capital, it produces a lower overall weighted cost rate.

Which then when we multiply that by our rate base, we get a lower need for a base rate increase. Our base rate increase request is reduced, and that's what the $40 million represents.

Q. Okay. Is there any other -- I'm trying to decide how to ask this question. Are there any other benefits besides a base rate reduction, any other benefits to ratepayers?

A. Well --

MR. BUTLER: And you are talking about specifically with respect to the bonus depreciation?

MS. BENNETT: Yes. Yes, to the bonus depreciation.

THE WITNESS: So let me make sure I understand the question. You are asking me other than the fact that the economic stimulus bill provided an immediate reduction in the amount of taxes we're going to have to pay on

tax depreciation for those investments, you
are asking me what other benefits did it
provide ratepayers?

BY MS. BENNETT:

Q. Correct. Or is FPL able to provide ratepayers because of this bonus depreciation. That's probably a better way to ask it.

A. I mean, ratepayers are getting nearly the full benefit of that taking place in '09. It is a tremendous reduction in base rate which we were able to capture almost 100 percent of for customers. So, no, I don't know what other benefits ratepayers would derive from this. It is being flowed through from a regulatory accounting perspective exactly as the practice would intend.

Q. Very good. I'd ask, were the bonus depreciations, was it just for the Smart Grid investment that we talked about, or did that amount include solar and plug-in hybrids also?

A. No. I'm sorry. I have confused you. The bonus depreciation has to do with the change in tax rate, tax depreciation rate for other investments. The driver of that benefit is West County, the West County units that we're placing in service that will begin to be depreciated in 2009.

That's where we're getting this monetary benefit that is flowing through rates by virtue of the higher accumulated deferred tax balances.

The Smart Grid investments are not being reflected, neither the costs nor any future receipt of grants are being reflected in this rate request.

And then that does leave the other item, which is the grant or traditional ITC benefits from stimulus bill that would, that we would be able to take advantage of related to our solar, or any renewable investment, but for us it is largely the solar investments that are -- I'm sorry. No, there is wind, there's wind that is coming up too.

And those are reflected also in this filing. I made a change in KO-16 to reflect movement of those ITC dollars out of base rate and into clause. And we deliberated a bit on this. Let me find the item number for you.

It is 18. It is number 18 on KO-16. And what we did there is pulled out $58 million worth of ITC that we had reflected in capital structure that is being generated solely from these renewable investments. The costs associated with those renewable investments are being recovered from customers through the environmental clause.

So we felt it important to give this significant credit benefit back to customers in the place where they were paying for the investment itself. So we made an adjustment to move that out of base and it will be rolled into the clause recovery request.

Q. And that was for the solar?

A. Well, that is for investment tax credits that are newly, that are being provided newly from this stimulus bill, you know, regulation change.

I'm sorry?

(Brief pause.)

Q. Ms. Ousdahl, are you ready to answer questions or are you looking through --

A. No. I was finished. I'm sorry.

Q. Okay. I know you said that Ms. Santos knows a lot about the Smart Grid investment, but are there any adjustments on your KO-16 that deal with the Smart Grid investment?

A. No, there are not.

Q. Can you tell me how that is going to benefit ratepayers, the Smart Grid investment?

MR. BUTLER: I'm sorry. Lisa?

MS. BENNETT: I'm probably saying that incorrectly. Yes, John.

MR. BUTLER: When you say "the Smart Grid investment," just hopefully to add some clarity and not further confusion, but as discussed in Ms. Santos' testimony I think primarily, the company has obviously a substantial investment in the Smart Grid, the AMI program that is reflected in the test year.

If there are additional Smart Grid-related investments to be made then the credits that FPL, or the grants that FPL has applied for with DOE are to help defray the cost of some of those future investments. And so I just want to be sure we keep clear and that you are clear and we're clear on which parts you are asking about.

MS. BENNETT: Okay. John, the Smart Grid investment grant program, the applications that you have made, and maybe Ms. Ousdahl can answer, are those reflected in KO-16, the expectation to receive grant money?

THE WITNESS: No, nor are the costs of those programs themselves reflected anywhere in our base rate filing. So we have some programs that we might have been able to avail ourselves of grant money, and that's I think what you might be referring to, which are some of the AMI costs that are in the base rate filing. We're not seeking grant monies to defray those costs that are in the base rate filing.

As I understand it, our grant filing will only be for projects that we will incur incremental investment associated with and for which we're then going to seek offsetting recoveries from DOE grant money.

BY MS. BENNETT:

Q. But isn't economic stimulus money available for the AMI program?

A. That would be a question witness Santos is going have to -- if you want to drill into the details, she will have to help you with that.

Q. Okay. Likewise, and you will probably have to explain again, the plug-in hybrids, I understood that there was grant money available for the plug-in hybrids; is that correct? And is FPL availing itself of that?

A. I understand there is grant money available for plug-in electric vehicles. I likewise understand that we have included no costs associated with plug-in electric vehicles in our base rate filing; therefore, we have not included a forecast with offsets to those costs.

Q. Okay.

A. It is completely outside of the base rate filing request.

Q. Okay. Next I want you to turn to staff interrogatory number 138 in FPL's response.

A. Okay. I'm there.

Q. I think you probably told me that this is reflected in KO-16, but let me make sure. Has FPL quantified the total amount of the potential benefits from this particular grant program? And, if so, where would I see that?

A. Yes, we have quantified the benefits associated with additional ITC associated with our renewables investment, and we did make an adjustment in KO-16. That is the adjustment we were just speaking about, number 18. And so we've made an adjustment to remove that estimated balance of ITC out of the base rate filing and into -- we will be including that as a benefit in the clause filing.

Q. Okay. I'm going to ask you to turn to your response to interrogatory number 139.

A. And I'll warn you this is not one that I sponsored.

Q. Oh, okay. Who sponsored this exhibit?

A. Treasury, engineering construction -- that's Treasury.

I think this was largely our Treasury group, witness Pimentel. I am pretty much not knowledgeable at all about federal loan guarantees associated with nuclear investments.

Q. Okay.

A. That would be a stretch for me.

Q. All righty. How about interrogatory number 143, did you sponsor that one?

A. Yes, that is my interrogatory.

Q. Okay. And would you agree that FPL New England Division is a non-Florida utility investment that does not indirectly or directly benefit Florida ratepayers?

A. Yes, I agree that FPL-NED division is a utility regulated by FERC, but it is not an operation that is regulated or providing benefits in the Florida service area.

Q. Are there any incremental risks to FPL retail customers from the regulatory treatment of FPL-NED?

A. I believe you are asking me if the way that I am reflecting the impact of NED in our base rate filing impacts the retail customer?

Q. Yes, ma'am.

A. The answer to that is a clear no. We take out all revenue, all costs associated with NED using a jurisdictional separation factor of zero in kind of a mirrored approach to what we would for any wholesale regulated operation or investment. So it is entirely removed from consideration in the case.

Q. Are FPL ratepayers responsible for any of the costs incurred on behalf of FPL-NED?

A. No, they're not.

Q. It is my understanding FPL intends to transfer ownership of FPL-NED to a separate corporate entity; is that correct?

A. I understand we have committed and are in the process of endeavoring to do so.

Q. Do you know when that will occur?

A. I am not individually involved in that process, but I do understand that they're targeting a mid-2010 completion date for all aspects of the transfer, including all of the many regulatory approvals that are required.

So, again, that is not a commitment on the part of the company because we don't have absolute control. It is subject to regulatory approval, but I believe that is the current estimate of timing.

Q. Is there another FPL witness who could give me a firmer answer and is more familiar with this?

A. I don't believe there is.

Q. Okay. Fair enough. Were any deferred taxes created when FPL made the investment in FPL-NED?

MR. BUTLER: Lisa, I'm sorry, before you go, I just want to be sure it is clear here. If need be, Ms. Ousdahl can testify to and we can get you additional information on the specifics of the process. But what is uncertain about the timing is the fact that there is a lot of, a lot of that process is tied up in getting approvals from various agencies that don't necessarily have timetables associated with them.

So nobody is going to be able to provide a timetable for it with any more particularity. But Ms. Ousdahl could provide additional specifics if you need them on the process that is being undertaken.

MS. BENNETT: I think that would be a good idea to include that as a late-filed exhibit. I intend to include this deposition, if I don't get any objections into the record, so I think that would be helpful.

MR. BUTLER: Okay.

MS. BENNETT: Let's call that late-filed Exhibit 1. And what should we call it besides late-filed Exhibit 1?

MR. BUTLER: How about Process for Transferring FPL-NED to Separate Entities?

MS. BENNETT: Would that include a timeline?

MR. BUTLER: Yes, it will have the estimated timeline in it.

MS. BENNETT: Okay.

MR. BUTLER: I am just reluctant to put timetable in the title because really, you know, for the reasons I've said, we can't give a precise timetable, but we will include the estimates of that.

MS. BENNETT: Okay.

(Late-Filed Deposition Exhibit 1 to be marked for identification.)

//

BY MS. BENNETT:

Q. Okay. Let's go back to the question. Were any deferred taxes created when FPL made the investment in FPL-NED?

A. I am not at all familiar with the accounting for the acquisition itself. I have certainly looked at the financials of NED currently and they have been provided in response to interrogatories. I know that -- I believe the trial balance for NED was provided, and so they are generating deferred taxes as they invest in depreciable plants. But it is, you know, a $20 million business in terms of equity, so it can't be a significant amount.

Q. Okay. Your answer is probably going to be the same to this next question about the ITCs available. Were any ITCs available to FPL?

A. I do not know.

Q. How about customer deposits relied upon by FPL when it made the investment in FPL-NED?

A. It is not a retail business.

Q. Okay. Was a pro rata adjustment made over all sources of capital or only over investor sources of capital for FPL-NED?

A. NED was eliminated from or reconciled from capital structure rate base using a pro rata method. See, it is important to note -- and we would do that, we would use that method for any wholesale reconciliation item.

It is important to note NED is regulated, it is regulated by FERC. It utilizes the FPL balance sheet in effect for setting rates based on the FPL cost accounting. So it is entirely appropriate I think from many perspectives to use a pro rata method to eliminate NED.

Q. I'm going to explore a little bit this FPL Fuels consolidation and the accounting treatment. And I think that is page 28 of your testimony. I'm using the incorrect terminology, I think. It is FPL Fuels, Inc., that is being consolidated into FPL; is that correct?

A. Yes.

MR. BUTLER: You are talking about 28 of the direct testimony?

MS. BENNETT: 28 of the direct testimony.

MR. BUTLER: Okay. Thank you.

BY MS. BENNETT:

Q. And I think it continues on to page 29, line 19. I'll give you a couple of minutes to review it because I'm just going to ask for you to explain it to me.

A. I think I can go ahead and talk you through it.

Q. You are braver than a lot, then. I do need you to explain in detail the proposed adjustment to add a net capitalized fuel lease to rate base.

A. Okay. Let me try to walk you through it, and if at any time you want to speed me up or slow me down, just kind of signal me.

Q. Okay.

A. Evidently back in the late '70s the company structured a wholly-owned legal entity subsidiary, St. Lucie Fuel Company I guess was the original name, for the purpose of going out and acquiring the nuclear fuel and then selling it to the utility for its nuclear plant operations. That -- I'm sorry. Yeah, did I say selling it? I'm sorry, John. Leasing it. Thank you for correcting me.

So the origins of that structure were intended to take advantage of what was then a very common, I believe, set of accounting rules that provided no impediment to what we all knew then as off-balance sheet financing. So you could set up an entity and it could be wholly-owned and operating and the utility in this case could be supporting all of the risks associated with the operation of that entity, but you could still keep the operations and all its assets, liabilities, et cetera, off of the consolidated financial reports of the first entity, in this case the utility. And that's the structure we set up. It provided for a minimal cost associated with acquiring the fuel.

The FPL Fuels, Inc. would issue commercial paper. So at very low rates they could secure the fuel. They then turned around and leased those to the utility for its use in its nuclear plants. And that continued quite nicely. I guess I should say the way those costs were reflected in rates, there was no base rate impact during that time for customers. All of the costs associated with leasing that fuel were wrapped up into this operating lease payment and that flowed through the fuel factor. And the operating lease payment was really it's true cost of the fuel in all stages and then it included a very small interest cost associated with the commercial paper that was utilized to finance the acquisition of the fuel.

So what happened is the off-balance sheet structure changed, as we all know, for many reasons, and in I guess it was 2003/2004 timeframe, the financial standards, the accounting standards setters came out with a new financial interpretation that would prohibit what they call under the standard variable interest entities from being unconsolidated if the primary entity was bearing the risks associated with those secondary wholly-owned subsidiaries.

So in our case because we guarantee the operations, and specifically speaking to debt associated with the paper issuances of that fuel, we began to have to consolidate its operations into our financial reporting. So beginning after the passage of the implementation date of that new standard, when you looked at the financial statements of FPL today on its balance sheet, you see the complete investment in fuel, that is an investment truly of FPL Fuels, Inc., that has to be consolidated into FPL Utility. And you see all of the obligations associated with the debt, et cetera.

Q. Okay. And I want to make sure I understand it. FPL Fuels, Inc., is a subsidiary of FPL; is that correct?

A. It is.

Q. On line 12 of your testimony you mention carrying costs regarding the current treatment of nuclear fuel leases. Can you explain what those carrying costs are?

A. Yes. What I'm referring to is the commercial paper interest cost that is now being reflected as a part of our lease cost to the utility that is being recovered through fuel. So, again, when we look at our, when we do a fuel cost filing and you see the cost associated with nuclear fuel, it reflects the expense, which is the amortization of the fuel that we're going to use in the reactor for a year, and it includes a little bit of administrative costs associated with the structure and the interest costs themselves associated with issuing the commercial paper that supports the purchase of that fuel. That will go away because we will dissolve FPL Fuels, Inc., and we will be procuring fuel ourselves as a utility for use in our operation.

Q. Okay.

A. There is no longer a benefit to the FPL Fuels, Inc. entity and structure.

Q. I would like for you to kind of compare the current treatment through the fuel clause to the proposed adjustment FPL is making to include it in the rate base on the effect on customers' bills. Can you walk me through that?

A. Well, I'll never be able to get you to a bill impact, no. But we have a great interrogatory that we answered for somebody that shows base rate and clause costs in '010 and '011 with and without the lease. And I don't have it in front of me. But essentially I touched on it. There were no base rate impacts on nuclear fuel acquisition and use in the reactors while we have the lease co in place.

All costs associated with fuel today are wrapped up into the lease payment that we make to FPL Fuels, so it includes the amortization of fuel costs itself in the form of expense and the interest and the administrative fees.

And tomorrow, in 2010, once the structure is dissolved, there will be a base rate cost. And that cost is approximately $40 million of overall embedded return that will be borne by ratepayers by virtue of the fact that we have to place this investment in rate base, just as we would have if the lease co had never been developed. Falling back to what, you know, the regulatory ratemaking would have looked like if we had never implemented this structure.

Q. I think I know exactly where that brilliant response is. It is your response to question number 191 from staff, and I'm going to go ahead and ask you to turn to it.

A. I don't know if we pulled it. Was it on your list?

Q. I believe it was.

A. Staff 191? We can pull it pretty quickly. We must have missed it if it was on your list. I just recall seeing it in review.

Q. And I apologize. It may not have been on the list. I thought I included everything that staff asked me to, but...

MR. MOYLE: While she's pulling that, you had asked her the question if this was a subsidiary corporation and she said of FPL.

John Butler, is FP&L the regulating utility or FP&L Group of which it was a subsidiary?

THE WITNESS: It is the utility.

MR. BUTLER: It is the utility. It is actually under FPL. It is FPL Utility.

MR. MOYLE: Thank you.

MS. BENNETT: Let's take a five-minute break while you are looking for 191.

MR. BUTLER: Fair enough.

(Brief recess.)

MS. BENNETT: We're back on the record.

BY MS. BENNETT:

Q. You stated earlier, I believe, that under the current treatment of nuclear, the nuclear lease, FPL uses a, is it a commercial paper rate to procure the nuclear fuel?

A. FPL Fuels, Inc., issues commercial paper to then allow them to purchase the fuel to lease to FPL Utility.

Q. And then part of that lease payment would be the repayment to FPL Fuels of the commercial paper rate; is that correct?

A. That's correct. What we pay them through the lease cost is the expense associated with the amortization of the fuel and reactor and an interest cost and an administrative cost.

Q. Okay. When we change to this, assuming we change to this new rate structure where the nuclear fuels become part of base rates, will the customers receive the benefit of the lower commercial paper rate relative to other sources of capital?

A. No. Again, the lease co goes away. The only reason we were able to secure financial support for a significantly sized long-life asset like the acquisition of fuel, is because we had this unique structure where they could issue, you know, a low rate kind of short-term debt like commercial paper to support the acquisition of the fuel. We will not be able to do that and are not effectively doing that today from the standpoint of the change in the accounting rule.

Q. Okay.

A. We are issuing the paper and we're paying that cost through the fuel clause because the structure has continued, but in effect, and, again, this is sort of where Armando Pimentel and I have to pair up on this issue, from the standpoint of others looking in and evaluating our creditworthiness, they consider the commercial paper and all the assets and liabilities of FPL Fuels, Inc., a part of our consolidated balance sheet.

Q. I think you touched on it a little bit, but staff is kind of scratching their head, mainly me, saying it just sounds like an accounting change in the financial accounting, and so why do customers lose that benefit of the great commercial paper rate that FPL Fuels, Inc., was able to procure? Why?

A. I believe the easiest way to think about it is that the customer is getting the cheaper rate, but the company is financing it at its overall cost of capital. And so if we reflect it appropriately post-lease structure in base rate, it will be financed at our overall weighted cost of capital. But, again, I'm running into territory that's really witness Pimentel's from the financial aspects of this. I'm really covering the accounting and the company adjustment itself.

Q. Okay. This one may be Mr. Pimentel's also, but I'll ask it and you can tell me to ask him. Is the adjustment going to be rate neutral?

A. No. Clearly not. What is on the interrogatory you were able to point me to, 191, it shows the impact of the lease structure versus FPL owned fuel, and there is an approximate $40 million difference in 2010. And, again, that is due to the difference of the fuel being financed via commercial paper under the lease structure versus being borne by the FPL Utility at its overall cost of capital, as any other asset would be in base rate.

Q. I've talked about if the Commission

approves FPL's proposed treatment; but if the Commission denies FPL's proposed treatment, what costs would FPL have to absorb?

A. I think that's a Pimentel question on two fronts. I can't tell you what the company is going to do if it is denied. And I think the question really goes to sort of that cost of capital aspect of this. So I'm going to have to hand that off to him.

Q. And would you agree with me that regulatory accounting can differ from financial accounting?

A. We much prefer that it does not. There are really good reasons from the standpoint of the practice of regulatory accounting to apply FASB 71 and utilize GAAP accounting as much as is possible and practical, because if you defer, or, you know, if you diverge, I should say, from generally accepting accounting principles you end up with two sets of books and it can be very hard to master sort of the understanding of what is happening in the regulated entity, both from a regulatory perspective and from the standpoint of users of the financial statement. So there is a general preference not to.

Q. But if the Commission were to do that, would a regulatory asset be created, or is that Mr. Pimentel?

A. Well, explain to me -- I should be answering the accounting question. That sounded like an accounting question, but I was concerned about the predicate of the question. You said if something, and I apologize, I got lost.

Q. I'm sorry. If the Commission denies FPL's proposed treatment of the nuclear fuel, would there be a regulatory asset created?

A. No. No. If the Commission denies our treatment and dissolve FPL Fuels, Inc., we're going to be capitalizing this nuclear fuel on our balance sheet because that is what we must do from a generally accepted accounting principle standpoint. And instead you would simply be disallowing recovery of the return on that investment. That would be my proposition. But then in effect we're not recovering that full cost today.

This filing simply recognizes the cost is being incurred and we need to be recovering that through base rate.

Q. One final question. I think it is one final question on this topic. Can you cite any regulatory policy, any Commission orders that would support your adjustment?

A. Yes. As I said, if FPL Fuels, Inc. had never been set up, this is exactly the way rates would treat our investment in nuclear fuel. This is not new and it is not novel. It is no different than any other capital cost reported on our balance sheet. This happens to be recorded in 120 point dot, dot, dot versus 107 or 101 or any other. But it is entitled to earn the overall weight of cost of capital.

Q. Okay. I'm going to have you turn your attention to, there is a response by FPL to South Florida Hospital and Healthcare Association's fifth set of interrogatories, number 237. And I sent that list of documents to you this morning, so I hope you have had a chance to pull it.

A. I do.

Q. The response states: "Customers will receive the benefits associated with the SNF settlement through future rates. These reductions were forecasted in 2009 as achieved so current plant and depreciation expense reflects FPL's estimate of those settlement dollars received." Is that correct?

A. Yes. The portion of the answer that you are reading from, yes. These reductions that you are referring to are -- I'm going back to just make sure I reread this.

Q. Yeah, if you will take a minute to reread it, I'm going to ask you what you mean by the phrase "as achieved."

A. Okay. I'm looking at the response. It is referring to the cash payment we received this spring, which related to costs that we incurred from 2007 prior. Okay. And would you mind repeating your question?

Q. What is meant by the phrase "as achieved" in the second sentence?

A. I believe what we were trying to articulate is that for the $77 million in costs that were received, we recorded the equivalent, the essential equivalent of the 2008 and prior expenses in our 2009 forecast.

So, in other words, through 2009 we had essentially estimated very, very accurately the benefits that were going to be received for the 2008 and prior costs. What this response is going on to talk about then are the future expenses that will be incurred and how those will reflected in rates, and those future expenses we've reflected in KO-16 on lines, well, items 3 and 4.

Q. Okay.

I think I heard you tell me that it was 77 million, but let's go ahead and say, tell me what is the amount of the settlement for the spent nuclear fuel included in the MFRs in this case for each of the years 2009, 2010, and 2011?

And when you are answering, I would ask that you break these amounts down by rate base and net operating income, if you can for me.

MR. BUTLER: And, Lisa, just to clarify. For the rate base you are looking at what additional reduction in rate base will be forecast, so that, for example, if you receive a settlement that is related to capital in 2008, you are going to see that reduction in 2009 and '10, et cetera; but you are not asking about that carryforward, you want to know about what is additional in 2010 and 2011? Do you understand what I'm trying to distinguish?

MS. BENNETT: Give me just a minute. Okay?

MR. BUTLER: Okay. And you understand the, sort of the complexity there. You have an effect that carries forward, a settlement from prior years, and there is also the question of what, if anything, there is for the, you know, was actually an adjustment to that year specifically for the year.

(Discussion off the record.)

MS. BENNETT: Let's go back on the record.

John, I think I understood what you were explaining to me.

BY MS. BENNETT:

Q. I just want to start by finding out how much has been recorded in the MFRs for the settlement and where was that recorded, the original settlement? Am I asking it correctly?

A. Yes. We estimated in 2009 in the MFRs through the forecast receipt of amounts for O&M and capital related to '08 and prior costs. I think that's what you are asking me.

Q. Yes, ma'am.

A. Okay. And in our forecast of receipts in '09, so offsets in '09, we have an expense amount of $9 million. That we forecasted in '09 that we would receive $9 million in O&M reductions for '08 and prior related spent nuclear fuel -- I'm sorry,

spent storage-related costs. Okay?
Q. Okay.
A. We likewise forecasted a $85 million reduction in capital, and that was in the forecast for '09 also; related, likewise, to 2008 and prior incurred costs.
Q. Okay.
A. And it will hopefully comfort you to know that if you compare those forecasted amounts of O&M and capital we reflected in the '09 forecast as reductions, with the amounts we actually recorded this spring for both the amounts we received and expect to receive related to '08 and prior, they are within a million, $1.4 million of each other. It, in essence, reflected the full offset in our '09 forecast for '08 and prior receipts from the DOE.
Q. Okay. Now, can you carry that forward to 2010's forecast?
A. Yes. What we attempted to do then when we were preparing KO-16, and I'm going to reach down -- oh, it is right here in front of me. We then reflected for all parties an update associated with the cumulative effects of the '010 expected receipts and the '011 expected receipts, and we reflected those in items 3 and 4 on KO-16.

So what those represent are the revenue requirement impacts of almost full recovery. I mean, the DOE does not give us 100 percent, they have shaved a few things, and we've tried to anticipate the small dollar reductions. But it is nearly 100 percent recovery that we expect of our cumulative '09 and '010 costs and then our '011 cumulative impacts on a revenue requirements basis. So the O&M offsets and the capital offsets translated for you into a revenue requirement view.

Q. So in items I think you said 3 and 4 on your KO-16, you have it reflected as revenue requirements, and I'm trying to see if you've got them broken down into O&M and capital also. Did you do that by year?

A. We reflected instead a net operating income view, yes. Yes. The net operating income view, if you look on item 3 of 7,022,000 in 2010, that is our 2010 expected receipt of DOE settlement dollars for O&M occurred in that period, net of participants' share, et cetera. O&M and depreciation.

Q. In then 2011 it would be 7,892,000?

A. That's correct.

Q. In 2009, you also have a category called capital. Are there capital effects for 2010 and 2011? I don't see those.

A. You are confusing me about your reference to 2009. Did I hear you correctly?

Q. Yes. I guess my notes, I showed that you had booked 9 --

A. Oh, oh. Oh, the 9 million that we reflected as a reduction in 2009. That's O&M received from the DOE related to 2008 and prior -- I recognize this is confusing -- that we reflected in the forecast in 2009 because we received it and expect to receive it in 2009.

Q. But I thought you said something about 85 million in capital also in 2009.

A. That's correct. That relates to the receipt -- or it was what we anticipated would be received in '09 for all the capital related recoveries for '08 and prior. And as I said, the sum of those items in the '09 forecast, O&M and capital almost miraculously tied to our recorded sum for 2008 and prior of O&M and capital items. Again, I mentioned it was about $1.4 million difference.

Q. Okay. I'm being told that we need the O&M broken down by -- I'm sorry.

In your KO-16, on number 3 you state:

"The adjustment is an increase in pretax NOI resulting from a decrease in operating expenses (O&M, property taxes and depreciation expense) on $7,022,000."

A. Correct.

Q. Can you break that 7,022,000 into the separate categories, O&M, property taxes and depreciation expense?

A. Yes.

Q. Would you do that for us?

A. Sure. And you are likewise getting a schedule today that will show this, as I understand it, we've prepared a late-filed exhibit associated with Art Stall's deposition, and I'm reading right off of that.

Q. Excellent.

A. You will get that. I think it is due to you today. The O&M -- the 2010 O&M net of participant share, you know we have that little Port St. Lucie participation agreement of 15 percent, so, for Unit 2, so it is 6.1 million. The property taxes is 110.

Are these millions?

Can we mute for just one second?

Q. Yes, ma'am.

(Brief pause off the record.)

THE WITNESS: The 6.1 million in O&M net of participant share, 110,000 of property taxes, and it is 756,000 depreciation expense.

BY MS. BENNETT:

Q. You said 758,000?

A. 756,000. Those should sum to the 7,022,000.

Q. And you say the late-filed deposition, that is what you reading from?

A. I am reading from an exhibit we're sending you, yes, associated with Art Stall's late-filed Exhibit 2.

Q. Does he also have the 2011?

A. Yes.

Q. Let's go ahead and get that too.

A. Okay. It is 5.4 million in O&M, 940,000 in taxes, and 1.561 -- 1,561,000 in depreciation expense. It should add to 7.9 million.

Q. Will Mr. Stall's late-filed exhibit to the deposition include that breakdown for item number 4?

A. What we've got on this piece of paper is the capital expenditures. It did not translate it to a revenue requirement view. In other words, you know, on rate base, it is a 13-month average.

Q. Right.

A. So what we showed on the late-filed exhibit was the absolute values of expenditure in capital for those periods. We did not show the translation to 13-month average views. We could add that if that would be helpful, if it hasn't already gone out, which --

Q. How about let's make it a late -- instead of worrying about adding it to Art Stall's late-filed, if you will just add that as a late-filed Exhibit Number 2 to your deposition.

A. All right.

Q. I know staff is anxious to get -- to look at some of this information.

(Late-Filed Deposition Exhibit 2 to be marked for identification.)

MS. BENNETT: So that would be late-filed Exhibit Number 2, and what should we call that, John?

MR. BUTLER: You are looking for the 13-month average on DOE reimbursements for 2010, 2011? Is that what we're --

MS. BENNETT: Yes.

MR. BUTLER: Okay.

BY MS. BENNETT:

Q. I'm being asked the first set of numbers for the 2009, the 9 million that you mentioned and the 85.0 million capital, those are already in the MFRs, correct?

A. They are. They were in the original forecast.

Q. Okay. I want to ask you to turn now to aviation. And you filed a response to OPC's interrogatory number 22.

A. We'll pull that real quickly here.

Q. Okay.

A. Okay. I've got 22 in front of me.

Q. Did you sponsor that response?

A. I did.

Q. Does FPL compare its cost of aviation as shown in FPL's response to OPC's interrogatory number 22 to exclusive use of commercial air travel?

A. I will need you to define exclusive use of air travel and explain to me what you mean by comparing it.

Q. Well, let's start with exclusive use of commercial air travel, meaning FPL is the only one to use that commercial air travel.

They're telling me like if I fly and we

only use --

MR. BUTLER: Exclusively using commercial aviation?

MS. BENNETT: Thank you. Commercial aviation.

THE WITNESS: And you are asking me not about this response, you are asking me do I compare these costs to what those costs would be if the flights were flown commercially?

MR. BUTLER: If all of FPL's flying was done commercially, is that the comparison you're wanting to make?

MS. BENNETT: Yes. I would like for you to compare it, yes.

THE WITNESS: No, I do not perform that comparison.

BY MS. BENNETT:

Q. Can you explain why you did not?

A. Yes. I'm not in any way responsible for a decision about whether or not the company should operate a corporate aviation operation for service for the utility and for adjunct service for our parent and for the affiliates. Those are decisions made corporately.

Witness Bennett would be the individual

you would have to talk to about those decisions and any comparable cost analysis that went into that. I am simply responsible for providing you information about the cost of the service that we do provide and the affiliate billings, which is what is reflected here.

Q. And that witness Bennett would be no relation to Lisa, correct?

A. I don't believe so.

Q. Okay. Let's talk about FPL Energy Services, Inc., if you are familiar with them. Do they provide services for customers of FPL?

A. Yes, I believe they do.

Q. What type of services?

A. Would you give me just a second? I've got a little sheet that I need to refer to because I certainly don't have all of that memorized.

Q. Okay.

A. I had my head on aviation and you kind of threw me for a loop there. Give me just one second.

Q. All right.

A. I can't find my backup sheet, so I'm going to have to talk from memory, which will probably not be as complete or comprehensive.

Q. Okay.

A. But FPLES provides a number of services to retail and commercial customers, and they provide those services both inside and outside of the Florida, State of Florida, as I understand it. They're in the business of marketing natural gas. They're in the business of marketing certain appliance protection programs. They're in the business of marketing -- gosh, I don't have my list, and I'm not an expert on FPLES.

Q. Well, let me do this, let's jump to some other questions and then perhaps because if you can have someone -- because I have quite a few questions on FPLES. And if you could find your backup sheet and then also you might have to refer me to another witness and that's okay. But can we move on to some other questions and come back to FPLES?

A. Yes. Let me just tell these guys what I need to get. Let's take one moment.

MS. BENNETT: Let's take like a three-minute break.

THE WITNESS: That would be great. I may be able to lay my hands on it if I have just a second.

(Brief recess.)

MS. BENNETT: Let's go back on the record.

BY MS. BENNETT:

Q. So we're talking about FPL Energy Services, and you stated that they provide services for the customers of FPL; is that correct?

A. Yes.

Q. And we talked about the type of services they provide, and you said one of them was surge protection?

A. Yes. We have a -- they have a product called power surge insurance designed for residential customers for, compensating them for repairs or losses of electrical appliances that are resulting from lightning strikes or power surges.

Q. What other services?

A. They provide connect services, which if we have a customer that is moving in new to the service area they will help them connect with local and long-distance service providers, cable services, and newspaper services.

They provide a business-to-business service for *Miami Herald* billing, which gives residential customers the option to pay for their newspaper subscription on their FPL electric bill.

Actually, it says this service was terminated in June. So they used to be a service, I guess.

They provide utility guard service, which is for residential customers and covers the repair or replacement costs of inside electric lines in homes and inside and outside waterline failures.

Q. Waterline failures?

A. Yep. Yes.

Q. Okay.

A. And appliance guard, which -- so I guess power surge, utility guard, and appliance guard are all under this product grouping of insurance services and warranty. And appliance guard actually covers repair of home appliances.

Q. So these two insurances, who provides the insurance? Is that FPL Energy Services, or is that an insurance company that contracts with FPL Energy Services?

A. I have no idea. Any detailed questions that you will have about FPLES operations you will have to ask witness Santos. But what I'm responsible for providing and responding to are any questions that you might have about how we ensure that our affiliate billing, for how any impacts of FPLES operation on FPL are managed.

Q. Okay. Well, then let's talk about how FPL Energy Services impacts FPL from your standpoint.

A. You would like me to discuss the support that FPL provides to FPLES in its operations?

Q. Yes, please.

A. Okay. For some of these services we provide adjunct support to our care center, our customer care center. That would be the call-in operation. So we talked about connect services. I think that may be the primary service. If a customer calls in and they want to take advantage of those connect services, our customer care reps will, to a certain degree, handle some of those calls and then we will bill FPLES the cost of that handling that we support through our customer care service.

Q. Okay. So that's a cost that you take on for FPL Energy Services, but you bill them for that cost; is that correct?

A. Well, as I understand it, it is not at all -- not anything more than a very incremental impact on our operations. So what we do is to the extent that we need to divert a call to an FPLES skilled representative or answer some questions directly, we'll track that time through customer care based on the cost of the customer care operation and the calls that we have to take or manage for FPLES and we will bill FPLES that support cost. So it is in form a direct billing.

Q. Okay. Well, does FPL do any billing for FPL Energy Services within your monthly regulated bill?

A. Yes, there are services that we provide billing for in the FPL bill.

Q. And do you turn around and bill FPLES for those services?

A. Yes, we do. We bill them for mailing, payment processing, care center, any support cost we provide, we calculate the cost of that support and we bill them for those services.

Q. Okay. Do you also provide bill stuffers or fliers for FPLES within your monthly bill?

MR. BUTLER: When you say "provide," do you mean include?

MS. BENNETT: Include.

THE WITNESS: I believe so. I know we have -- I know we have because we answered an interrogatory on this. We make available for other third parties, not just FPLES, on a limited basis the opportunity to include advertisement in our bills. And so to the extent we do that we've got a true test of market, to the extent it is done third-party, and that's the same charge that we would bill FPLES, our affiliate, to the extent they utilize that service.

BY MS. BENNETT:

Q. I'm sorry. I kind of lost my train of thought for a minute. You said you offer that service to other non-affiliates?

A. That's correct.

Q. And so you bill FPLES the same as you would bill a non-affiliate, I think is what you told me?

A. Right.

Q. How do you determine, when you are talking about the customer care center, how do you determine what is billed to FPLES? It doesn't seem to me as clear as the billing stuffer might be.

A. Well, we take all of the cost of customer care operations, so we look at payroll and all of the other related charges, and then they develop a rate, a cost per call, and then the calls themselves are tracked, and the call support that is provided to FPLES is billed on this per-call basis.

It is loaded also with an overhead rate.

Q. And I want to make sure I understand correctly. If a customer calls and says, "Hey, I got this bill stuffer about FPLES, can you tell me about it?" what does your customer care center do with that call?

A. As I understand it, when it comes to front office handling of any of the marketing of their services, those are transferred to a FPLES sales rep.

Q. Okay. And then if a customer calls and says, "I had a power surge and I want to make a claim" and they call your --

A. They are transferred to FPLES. Any servicing of these products or services --

Q. Okay.

A. -- is managed by FPLES representatives, as I have been informed.

Q. Is there anything that stays with customer care and does not get transferred to FPLES when a customer calls about an FPLES issue?

A. No. The process has been designed for us to capture all activities provided in support of FPLES by FPL Utility employees and to bill them, "them" FPLES, accordingly.

Q. Okay. Ms. Santos may be the one to ask this next question, and you can let me know. I am interested in the coverage that FPLES provides to customers insurance-wise. Is there a limitation on damages or are there any exclusions for damages for, well, let's talk about the utility guard first.

MR. BUTLER: You are really getting into an area that Ms. Santos is going to be the right witness.

MS. BENNETT: Give me just a minute to look at these questions. I think they're all Ms. Santos. They're talking about the specifics of FPL Energy Services. They're talking about pricing. These are all very specific to FPL Energy. Let me go ahead and run through the questions and you can just say Ms. Santos, and that way you will be able to let her know what I'm going to ask her tomorrow.

THE WITNESS: Okay.

MS. BENNETT: And she can be prepared to answer a lot of these questions.

BY MS. BENNETT:

Q. I'm curious about, is there a limitation on damages or is there an exclusion for both of the insurance? I think you said there's two different types of insurance, there may be three, and you said Ms. Santos could answer that. And specifically how those limitations are communicated to the customer, that would be Ms. Santos?

A. Yes, that would.

Q. The number of complaints from customers regarding FPL Energy Services, that would be Ms. Santos?

A. Yes.

Q. The pricing would be Ms. Santos?

A. Yes.

Q. The marketing, the types of marketing, that would be Ms. Santos?

A. Yes.

Q. Who administers the service contract, I think that's Ms. Santos, correct?

A. Yes.

Q. The number of customers that are, the FPL customers who are using FPLES, that's Ms. Santos?

A. Yes.

Q. And FPL Energy Services' profit margin on those services, would that be Ms. Santos or you?

MR. BUTLER: I'm not sure that anybody

is going to be able to speak to that, but I don't think it is Ms. Ousdahl.

THE WITNESS: Are you clear -- and maybe this has been miscommunicated through the interrogatory process, but FPLES is not a subsidiary of FPL. We're not consolidating their results in any way. We're performing very limited support services to FPLES from our utility base, and those support services are noted throughout the MFRs in the form of the affiliate billing. So we're not taking on a risk for them in that aspect of their business.

BY MS. BENNETT:

Q. Okay, that's helpful. And it is helpful to know to ask Ms. Santos.

Next I want you to jump over to OPC's 2nd POD number 14, and I noted that it was an Excel file. I don't know whether you have the Excel spreadsheet or the file itself.

A. I'm sorry. The number again and maybe a hint as to what that one is. 14, is that the dismantlement?

Q. That's the dismantlement storm reserve reallocation 2009 final xls.

A. Yes.

Q. And as you're pulling it out, I would also like you to have available your KO-8.

A. On the reallocation of the reserve, I have the schedule. I don't have the interrogatory right in front of me. Do I need to pull that too?

Q. I don't think so.

A. I am thinking it just referenced the schedule maybe. And you need me to also have KO-8?

Q. Yes.

A. Okay. I'm with you.

Q. And I actually just need Volume 1 of KO-8, pages 3 and 4.

A. Okay. I think I've got everything.

Q. On KO-8, do you see the two columns labeled debit site reserve and credit site reserve?

A. I do.

Q. Can you tell me what the numbers in those columns represent briefly?

A. Yes. For our steam production plant, after we recalculated our future dismantlement expenditures and our new accrual based on those future dismantlement expenditures, we ended up with, on certain of the sites, a reserve surplus, and that of course was reflected in the Cape Canaveral and

Riviera units, which we are going to dismantle and repower here in the very near future.

So the process the company has followed in accordance with Commission rule and practice has been to reallocate surpluses across the remaining site, and that is what is being performed on page 3 of Exhibit KO-8, 3 and 4 of Exhibit KO-8. We are simply taking the surpluses that exist at Canaveral and Riviera and redistributing those to sites that have deficiencies.

MS. BENNETT: I am being told of an emergency. So let me finish this line of questions and then I apologize, I'm going to have to take a quick break again.

BY MS. BENNETT:

Q. Okay. I need you to go now to the Excel spreadsheet that we talked about. And this printout has two columns labeled credits to units with deficiencies and debits to units with deficiencies; is that right?

A. Yes. And do you want me to fast-forward? I pulled this out last night and I realized the spreadsheet we gave you in the POD does not tie to page 3 and 4 of KO-8.

Q. Exactly.

A. And I do apologize. We don't know why, but we have a revised spreadsheet. And the error occurred because we had the wrong economic recovery date for St. Johns River. And, again, I apologize. So they're slightly off and it did not affect the study. The right allocations were used in the study. The right allocations are, the reallocations are used in KO-8 3 and 4. We just provided you the wrong backup. And, again, I apologize.

Q. So I'm given to assume that the new Excel spreadsheet will correctly reflect the KO-8 numbers?

A. Yes, on pages 3 and 4 it will tie and those are the numbers used.

Q. You just knocked out a ton of questions.

A. I'm sorry.

MR. BUTLER: Lisa, do you want the revised schedule as a late-filed exhibit?

MS. BENNETT: That would be great. Could I do that?

THE WITNESS: It's just called it Reallocations per Theoretical Reserve.

MR. BUTLER: And then we'll put paren revised.

THE WITNESS: Yeah, let's mark it

revised.

(Late-Filed Deposition Exhibit 3 to be marked for identification.)

MS. BENNETT: We'll take a five-minute break. We'll return at 3:05. And when I come back we're going to talk about and I'm really going to need you to walk me through KO-16. Staff is struggling to understand what it means, and so we'll spend some time on that.

THE WITNESS: Okay. Will do.

MS. BENNETT: Thank you.

(Brief recess.)

(Deposition continues in Volume 2.)

CERTIFICATE OF REPORTER

STATE OF FLORIDA:
COUNTY OF LEON:

I, ANITA M. PEKEROL, do hereby certify that the foregoing proceedings were taken before me at the time and place therein designated; that my shorthand notes were thereafter translated under my supervision; and the foregoing pages numbered 1 through 92 are a true and correct record of the aforesaid proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor relative or employee of such attorney or counsel, or financially interested in the foregoing action.

DATED THIS 20th day of August, 2009.

ANITA M. PEKEROL, CP, CM, RPR, CRR
2894-A Remington Green Lane
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850-878-2221

CERTIFICATE OF ADMINISTERING OATH

STATE OF FLORIDA:

COUNTY OF LEON:

I, ANITA M. PEKEROL, Registered Professional Reporter and Notary Public in and for the State of Florida at Large:

DO HEREBY CERTIFY that on the date and place indicated on the title page of this transcript, an oath was duly administered by Jacqueline Bussey to the designated witness(s) before testimony was taken.

DATED THIS 20th day of August, 2009.

ANITA M. PEKEROL, CP, CM, RPR, CRR
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My Commission Expires: February 20, 2011.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: PETITION FOR INCREASE IN RATES BY FLORIDA POWER & LIGHT COMPANY.
______________________________/

DOCKET NO. 080677-EI

VOLUME 2 (PAGES 95 - 236)

TELEPHONIC DEPOSITION OF:	KIM OUSDAHL
TAKEN AT THE INSTANCE OF:	The Florida Public Service Commission
DATE:	August 19, 2009
TIME:	Commenced at 12:30 p.m. Concluded at 6:45 p.m.
LOCATION:	Florida Public Service Commission 2540 Shumard Oak Boulevard Room 382D, Gunter Building Tallahassee, Florida
REPORTED BY:	ANITA M. PEKEROL, RPR, CP, CM Certified Realtime Reporter

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I N D E X

E X H I B I T S

E X H I B I T S (continued)

(VOLUME 2)

P R O C E E D I N G S

- - -

Thereupon,

KIM OUSDAHL,

having been previously sworn, was examined and testified further as follows.

MS. BENNETT: Let's go back on the record. And I apologize.

We're on to KO-16. I actually think I'm going to ask for if you are willing to do this as a late-filed. I think it will cut a lot of the time out of the deposition.

MR. BUTLER: What are you looking for as a late-filed?

MS. BENNETT: Well, let me explain it and see if we can do this. On KO-16, for the rate base I want you to provide a breakdown by item number for the 2010 and 2011 adjustments by plant account number for plant inservice, depreciation expense, and accumulated depreciation.

THE WITNESS: We can give you very readily the KO-16 rate base broken down by item number on KO-16 and broken down by category, plant inservice, meaning 101. I don't have it functionalized into the specific plant inservice functional accounts. And that would go also for CWIP. Most of the rest of these items are pretty readily discerned by FERC account.

For instance, on the DOE settlement item there is a $25 million reduction in plant inservice from a 13-month average jurisdictional rate base perspective in '010. I don't have that broken down. I know those are all nuclear-related FERC functional accounts, but I don't have it broken down by account and would not be able to get that, I do not imagine, in any sort period of time.

MS. BENNETT: We have agreement on that being a late-filed for rate base. And then there's some --

THE WITNESS: I'm sorry. What did we just agree on?

MS. BENNETT: For you to give us a late-filed, or maybe you said that you could do it very quickly, without doing a late-filed. I don't know.

THE WITNESS: No. I said -- I was

referring to the problem I was going to have that I can't drill in to plant inservice for CWIP by FERC account. I can give you those categories.

MS. BENNETT: And that's fine.

THE WITNESS: Oh, okay. Okay. I wanted to make sure we were on the same page.

MS. BENNETT: Yeah. I'm sorry. I'm not making myself clear this afternoon.

So the first late-filed is going to be for rate based, you are going to provide a breakdown for all of the item numbers that are rate based for the 2010 and 2011 adjustments by category for plant inservice?

THE WITNESS: Right, depreciation or the reserve, nuclear fuel, working capital, et cetera?

MS. BENNETT: Yes. And do I need to go over this by item number or --

THE WITNESS: No. I think we can get this to you in a way that will help you understand what we've done.

MS. BENNETT: Let's call that first one late-filed Exhibit Number 4.

(Late-Filed Deposition Exhibit 4 to be

marked for identification.)

MS. BENNETT: And that's rate base, can we call it a rate base explanation of KO-16? Is that appropriate, or should I call it something different?

THE WITNESS: We have a schedule titled 2010 Recalculated Jurisdictional Rate Base that I think we will use to provide that information.

MS. BENNETT: Okay. 2010 -- I'm sorry. What was the rest of it?

THE WITNESS: Jurisdictional Rate Base. So it just says, it's titled 2010 Recalculated Jurisdictional Rate Base, and then it is by item.

MS. BENNETT: Okay. And then for late-filed Exhibit 5, let me tell you what I'm looking for, and then we'll title it. See if we can do it and title it.

For net operating income, all of those on KO-16, I need a breakdown of those items for 2010/2011 by revenue, O&M, depreciation, taxes other than income taxes, and income taxes.

THE WITNESS: Yes, we can do that.

MS. BENNETT: Okay. And what should we call that? Late-filed Exhibit Number 5 is titled?

THE WITNESS: What if we called it 2010 Recalculated Jurisdictional Net Operating Income? And it's going to look a lot like its sister late-filed exhibit in terms of having the items on one axis and the breakdown on the other.

MS. BENNETT: Sounds good.

(Late-Filed Deposition Exhibit 5 to be marked for identification.)

THE WITNESS: 10 and 11 on both, right?

MS. BENNETT: Yes, 2010 and 2011. And now I'm being told that we need one more for capital structure.

THE WITNESS: A D-1A Revised, or what are you-all thinking?

MS. BENNETT: A Revised D-1A. And that will be late-filed Exhibit 6.

(Late-Filed Deposition Exhibit 6 to be marked for identification.)

THE WITNESS: For both years on that also?

MS. BENNETT: Please, both 2010 and

2011.

MR. BUTLER: So 2010 and 2011 recalculated D-1A?

MS. BENNETT: Yes.

MR. BUTLER: Lisa, for clarification, we're going to add using KO-16 adjustments or reflecting KO-16 adjustments at the end of each of those three titles to make it clear what they're recalculated for.

MS. BENNETT: Yes. That would be much better. Thank you.

I have about five more questions.

MR. BUTLER: Do each of them have a late-filed exhibit?

MS. BENNETT: No.

BY MS. BENNETT:

Q. We're talking about employee compensation now, and I'm not going to ask how much you are making, so that's off the table.

MR. BUTLER: Thank you.

BY MS. BENNETT:

Q. What I do want to understand, Ms. Ousdahl, is -- my understanding is that there are business unit directors who submit their budget, which includes employee incentives in the budget process. Are you one of those business unit leaders that would submit your budget?

A. I submit a budget for my group.

Q. For your group?

A. But I'm not sure I understand the distinction you are making when you are saying one of those business unit leaders and you talked about comp. I submit a budget for the full operation of my FPL accounting group.

Q. Okay. And in that budget do you include employee incentive program or plan?

A. No. That is done at a higher level than my budget submittal. I understand your question.

Q. Okay.

A. I include base salary only and any merit related increases that would be planned.

Q. Okay. Since the filing of your direct testimony has FPL taken any actions or had any discussions to your knowledge concerning employee compensation in response to the economic downturn?

A. No. We have not engaged in our planning process for next year, so I'm not aware. I would not be aware of any plans in place related to compensation overall.

Q. I think this probably answers the next three questions, but I'm going to ask them. Does FPL to your knowledge have any plans to outsource or contract out any work currently performed by FPL employees?

A. Not that I'm aware of.

Q. Are you aware of any discussions within FPL concerning layoffs or downsizing its workforce in 2009 or 2010?

A. No. I'm generally aware of a rigorous activity across the FPL operation to control costs given the significant downturn in the economy. So I know each business unit is looking at every cost that they incur and trying to find the right way to optimize the delivery of service against the lowest cost, but I know of no specific program being planned.

Q. Are you familiar with any discussions within FPL on reorganization of FPL?

A. No, I'm not.

MS. BENNETT: That concludes my questions. I thank you for your time, Ms. Ousdahl. I believe this deposition has been cross-noticed by several parties.

THE WITNESS: Thank you.

MR. BECK: This is Charlie Beck. I do

have questions, but I don't know if Jon is on as well. Jon Moyle? Well, if it is okay, then I will go next.

MS. BENNETT: Sounds good to me.

CROSS EXAMINATION

BY MR. BECK:

Q. Ms. Ousdahl, my name is Charlie Beck with the Office of Public Counsel.

A. Hi, Mr. Beck.

Q. Hi. And I want to thank you for hanging in there this afternoon. Hopefully this will make the hearing go more quickly and smoothly because we're spending the time here today.

I would like to start following up on a few questions about FPLES.

A. Okay.

Q. And just as you did with staff, if you would prefer to refer these questions to Ms. Santos, just let me know.

A. Okay.

Q. I believe you mentioned that there has been an agreement either by FP&L or FPLES with the *Miami Herald* to do billing for them?

A. Yes. I understand that we have a service, FPLES has a service that provides an option for *Miami Herald* subscribers to receive their bill for that service through the FPL electric bill. I would also note it was terminated in June of this year.

Q. And do you know why it was terminated?

A. No, I do not.

Q. Is the agreement for that billing then between the *Miami Herald* and FPLES?

A. Yes. That would be the case on any of these third-party service providers to FPLES, as far as I know those do not run through FPL. We are simply providing some adjunct support services to FPLES.

Q. So for any of the costs that FPL might incur concerning that *Miami Herald* contract, they would be charged to FPLES, who in turn would deal with the *Miami Herald* directly; is that correct?

A. That is my understanding.

Q. One of the items, as I understood it, is that the -- the billing that was done for the *Miami Herald*, how would you charge the extra cost incurred by the utility for the bill itself to FPLES?

A. Well, because we provide service to FPLES on our bills for certain of the products and services they provide, we develop a rate that we would bill them that includes all costs associated with mailing, payment processing, care center, printing, the machinery that is used to print on the bill, et cetera. So there is a rate that is developed and then it is actually billed, as I understand it, based on number of lines on the bill.

Q. Number of lines on the bill?

A. That's my understanding.

Q. And how would you determine the amount for postage, for example, that would be charged to FPLES?

A. It is a part of the rate development, so -- and this is done in my group. I don't know specifically. But it would be looking at our cost, FPL's cost to bill and translating all of those billing costs into a per bill rate, which we then apply to, proportionally to FPLES.

Q. So the charges to FPLES then are based on allocations of costs?

A. That would be correct.

Q. Nothing is taken into account for the fair market value of that service that is provided to FPLES; would that be right?

A. Well, I think we discussed the exception to that, and maybe I will try to back up a little bit.

Q. Okay.

A. When we have applied the affiliate billing rules of the Florida Service Commission and FERC, we apply the rule for the asymmetric non-tier pricing as it would relate to those items that could be related to a third-party and are readily -- and we can readily ascertain a market value. So sales of assets.

The example I gave earlier was the third-party use of the billing inserts. Because we can ascertain what a third-party would pay for that service, if there is a market, we apply that rate internally. But for purposes of providing embedded support corporate cost services, we allocate a portion of our cost or direct bill at actual cost to our affiliate.

Q. So the cost for -- if you were a private enterprise in your territory and you wanted to include a bill insert or an advertisement in FPL's bill, you would charge them a market-based rate for that?

A. Right. That is being done today, as I understand it.

Q. But the cost for the billing that FPLES does, that's done on a cost allocation basis?

A. Yes. We do not provide that service to any third-party.

Q. Now, do you know whether FPLES simply uses that as a pass-on to an entity like the *Miami Herald* or do they charge a market rate to the *Miami Herald* for that service?

A. I cannot answer that question. Witness Santos would have to help with those questions. I'm not involved at all in what happens on the FPLES side.

MR. BUTLER: And just to make it clear, I'm not sure whether Ms. Santos knows details of the arrangements between FPLES or other affiliates and their customers, but she would be more likely to than Ms. Ousdahl.

MR. BECK: Okay.

BY MR. BECK:

Q. Now, when you say that on the cost allocations you have a cost per line, is it the total number of lines on the bill and a ratio is set up for the number of lines that are applied to FPLES in the bill?

A. Yes. For the bill printing we look at all the costs associated with the printing and then they are, that total cost is translated into a per line cost. So then we are billing that average embedded cost per line to FPLES for the lines they use.

Q. For example, if the bill had just hypothetically 30 lines and FPLES was using two of them, you would charge them 2/30th of that cost?

A. Right. There would be loaders for overheads, et cetera. We're going to take the embedded cost of that portion of the operation, we're going to add our appropriate loaders on, we're going to develop a per line rate, and we're going to bill them those lines.

Q. And would those loaders include postage as well?

A. Yes. Postage is included in the rate, yes.

Q. So if FPLES was using 2 out of 30 lines, then they would get 2/30ths of the cost of postage applied in the loadings for that, in that hypothetical; is that right?

A. Well, I think this is all translated into a per bill cost. So they're taking all of the costs associated with the bill for any of these items that we bill for FPLES and they translate those into a bill rate.

Q. Okay.

A. And those would include printing, mailing, the people that process, you know, the labor component, everything.

Q. Okay. Now, would the same be true on the call center services that are provided for FPLES; do you charge them a cost per call?

A. Yes. Yes, we charge them a cost per call transfer. We're typically not spending time on the phone with FPLES customers because we're not marketing their services for them. And in fact, we've tried to set up a separate 1-800 number for FPLES, but as you would imagine, a lot of folks will call into our call center and then we'll have to transfer those calls. So to the extent we handle a call, we're charging them for that call handled.

Q. And is it a cost per call or do you actually charge by the time for that?

A. It is a cost per call. We take the total cost of that operation, translate that into a call average, and then bill that average per call.

Q. So you don't take into consideration whether the calls for FPLES would be more lengthy or less lengthy than a call for utility service?

A. Well, they would be much less lengthy because we're not managing their front office marketing and we're not managing bill complaints or anything else. We are transferring that call to their representative.

Q. Right. So you do it on a per call basis and not on a time basis?

A. That's right. It is transferring more than the actual costs, I would submit.

Q. Okay. Now, let me ask you, suppose the FPLES portion of a bill just hypothetically is $5, that's on a customer's bill that you send to a utility customer, and the utility customer subtracts that amount out from the bill for whatever reason, say they're unhappy with the FPLES service, how do you deal with that?

A. You know what, I can't answer the question. I do not know how the revenue side is managed.

MR. BUTLER: That would be something I believe Ms. Santos could cover, Charlie.

BY MR. BECK:

Q. And if you know, if this is Ms. Santos, tell me also. Could you discontinue a customer for not paying the non-regulated portion of the bill?

A. I can't say yes or no. I can only guess. So I think you need to ask Ms. Santos. I would be shocked if we could.

Q. Let me move on a bit. I think I have a number of different areas I'm going to ask about.

On page, the very bottom of page 3 and on page 4 of your rebuttal testimony, you discuss the AEGIS policy. Am I pronouncing that correctly?

A. If you'd let me turn to that real quickly.

Q. Sure.

A. Okay. I'm there.

Q. Am I pronouncing that correctly, is it AEGIS?

A. I pronounce it AEGIS. I have heard it pronounced AEGIS. I don't know.

Q. Okay.

A. However you pronounce it.

Q. Could you describe for me what the AEGIS policy was, what types of risks it was insuring against?

A. Yes, I can discuss it with you generally. I'm certainly not a member of the risk management team. But what the company experienced, you know, not surprisingly, back in the pre-'90s period, and I think actually these exposures that we were trying to manage through these policies went back into the early 1900s, but we had risks associated with contamination of sites that might exist because of a, you might have a generating plant site and you had some contamination resulting from the operation. In some cases they had transformers or other pieces of equipment that were disposed of improperly.

So it was largely, these were largely risks or exposures associated with environmental contamination. And we would be exposed, whether it was within our service territory or resulting from some improper disposal of any part of our equipment associated with our business. So the coverages had to do with any remediation activity associated with those environmental exposures.

Q. And the AEGIS policy, was that procured in or about 1998?

A. That's correct. It was a reinsurance that we negotiated with AEGIS in the 1998 timeframe.

Q. And before you had that agreement with AEGIS, you just had non-reinsurance types of insurance policies for that?

A. There were policies. There were

evidently a collection of policies prior to the AEGIS policies. Again, these went back evidently some number of years, if not decades, and they were with a group of insurers. I cannot speak very -- I can't speak at all in detail about them other than to say some of those insurers became illiquid and there became risks associated with our being able to rely on those insurers in support of any claims, so we settled out that group of policies. And then the AEGIS policy was negotiated after that 1998 timeframe in the conduct of those settlements.

Q. Now, without going into the actual dollar amount of the policies, would you know the journal entries that were used to record the premium that was paid in 1998?

A. Yes. When we paid for the policy, we debited, you know, property expense, which would be the 924 account, I believe, and we credited cash, in essence. We then released by debiting our property insurance reserve the like amount of that premium and credited the expense.

Q. Okay.

A. So we were in effect offsetting the reserve and we were able to release the reserve for the amount of that premium.

Q. Okay. And then on page 4 of your rebuttal, beginning at line 7, you said that: "Concurrent with the purchase, FPL transacted a settlement with predecessor insurers for release on future claims" and so forth. Do you see that?

A. Yes. I think you are backing up now. The entry I was talking about was the AEGIS entry. There were policies that we settled out prior to that.

Q. And that's what you are referring to on line 7?

A. There are two series of these events that would have been recorded very similarly, as I understand it, but we took this group of policies and we received some settlement cash from the prior to AEGIS group of policies, and we closed out that reserve. And then we went back, right back out and secured this coverage with AEGIS, although not identical coverage, but a policy that would provide coverage for those same historic exposures, and that is what I was referring to where we booked that cost against the reserve.

Q. Okay. Thank you. Now moving on to 2008 and lines 15 through 17 of your rebuttal, it says: "No reserve was reinstated in 2008 when the AEGIS policy was commuted as the historical exposures associated with the policy were no longer evident and therefore no further liability incurred."

A. Yes.

Q. Now, the historical exposures would be for con- -- like you described earlier, for contamination of land, for example?

A. Yes.

Q. How is it that there was, those types of exposures were no longer evident?

A. Okay. Let me try to put some color around that.

Q. Okay.

A. Again, the exposures that we were talking about were prior period exposures that would have occurred sometime in the distant past that we were trying to insure for. And the AEGIS policy had a very significant size retention, $50 million approximately.

So we were self-insured for any losses for those prior site contamination exposures up to $50 million retention. The AEGIS coverage was only going above the 50 million retention up to the policy premium, which was approximately $24 million. So we were talking about very significantly sized losses.

So during the time that we held that coverage, these ten years, we have been incurring expense and resetting our reserve each quarter as we do today. There is a quarterly process for looking at exposures and evaluating the adequacy of the reserve. And when we incur a claim that has been reserved for, or a cleanup cost or whatever it might be, that has been reserved for, we will charge that against the existing reserve. We've been incurring costs for ten years below that $50 million retention.

What happened as we passed through time is we got a much better feel for site cleanup costs, how well we would be able to control those exposures, the probabilities around their being any unknown exposures, and additionally, to the extent we can, the probabilities around a refined cost estimate of the exposures we know that exist.

Also as that ten-year time passed, you know, this AEGIS policy had this experience account that grew. And as that experience account grew, our probable loss position changed such that the coverage was going to be there for a loss that was going to be so significantly sized it became much less than probable.

So over time this is what was happening. We were incurring costs at the retention level and sitting on this policy that we certainly believed it was the right business decision to have coverage for, but after experience we realized it was cash sitting there with this insurer that was probably never going to be adequately deployed in payment of a loss. So it made sense to take that cash in and eliminate the reserve that we had sitting there.

Q. Well, thank you. That certainly helps.

Let me move on to another topic on page 22 of your rebuttal.

A. Okay.

Q. This relates to the use of the nuclear decommissioning funds.

A. Yes.

Q. And I would like to ask you to look at the very bottom of page 22 and the top of page 23.

A. Yes.

Q. You state: "Release of the existing decommissioning funds for non-decommissioning activities would require prior approval from the NRC. While it is possible that with prior FPSC approval, the NRC might also approve the use of existing funds for the purpose" -- and so on.

A. Yes.

Q. What I was going to ask you is what is the process you would follow to get approval from the NRC?

A. I'm not an expert, but I have read some of the documents that are in the referenced regulations there where the NRC has undertaken petitions, and I think that's the form that an individual company needs to petition the NRC for permission to disturb those funds in any way. And that's about the full extent of my knowledge on it. It requires their approval and a case has to be made by the petitioner for that release.

Q. So there have been other petitions that you are aware of that have gone to the NRC asking for that?

A. Yes. I was in the course of my preparation provided examples. I don't seem to have any of that with me. But where others had petitioned for release of funds to serve the offset of costs that were related certainly to nuclear plants, but not specifically meeting the definition of decommissioning activities. And, in fact, the examples that were provided to me, they were denied by the NRC.

Q. Okay. Do you recall which companies they were and what the examples were?

A. If you'd give me just a minute, I might be able to put my hands on that.

Q. Sure.

A. Okay. We have an example of Energy Solutions, LLC, and they wanted to amend the regulation that would allow licensing decommissioning trust funds to be used for disposal of major radioactive components; and the NRC denied that petition. That was October 2008.

Q. And are there any others you are aware of?

A. I think that's the only example I have with me. And of course my testimony was not to suggest it is impossible. In fact, I think I went through some fairly lengthy discussions; but to explain that, to eliminate proper rate resetting on those exposures on the basis of a possibility would probably be ill-advised.

Q. Okay. Let me move on to another topic related to bad debt. And I believe it starts toward the bottom of page 24 of your rebuttal testimony.

A. Yes, I'm there.

Q. In your proposal to separate the bad debt between the clauses and base rates, would you be doing a true-up of the amounts that go to the clauses and the amounts that go to base rates?

A. Well, we're required to do a true-up to clause. So what we had in mind was simply to align the cost with the cost causation factor, which in this case is clause revenue. There is certainly no hidden agenda here.

And the way we were doing that clearly I think was provided in my direct testimony. We were trying to look at our bad debt expense that we had projected and break that out between the portion related to projected base rates versus the portion related to projected clause.

One rate is all we need. We know there is one rate of bad debt loss that we forecast or experience based on our total bucket of revenues. It is not different if it is a clause dollar versus a base dollar. So we have one rate.

But you are absolutely right, we would definitely have to reconcile recoveries of the bad debt expense and the costs incurred on the clause side verses the base rate side, which would continue to be a base rate cost.

Q. The proportion of revenue between the
base rates and clauses would vary, for example,
depending on usage by an individual customer, would
it not?
A. Well, the proportion of revenue between
base and clause would vary more significantly based
on the cost of our fuel.
Q. Right. But this is a change over -- you
know, this would be a regularly changing proportion,
would it not, even --
A. Right. We forecasted our '010
relationship and our '011 relationship, and I would
imagine that would be a fair approach to use in the
setting of this expense for clause purposes on a
projected basis, just as they must do for those
actual revenue for those costs, they forecast those
on an annual basis.
Q. Okay. So you would apply one factor or
one ratio for the one-year period?
A. Yes. On the clause side, yes.
Q. And then when it comes to a true-up, you
would look at the actual proportions over the entire
year for the true-up? Is that the process you would
apply?
A. Well, expense is going to be what it is.

Your rate of loss is going to be calculated on the basis of total revenue. So you will know based on your actual clause revenue what your actual rate of loss is on those revenue and then you true-up against that. You wouldn't have to be estimating it to do your true-up. You would have an actual rate of loss.

You would have a bad debt expense as a percent of total revenue on an actual basis. I'm talking about the going forward true-up.

Q. Right. I understand how the revenues would be trued up and you would know the actual expense, but it is the allocation process between the two that I was wondering about.

A. Well, once the base rate portion is established based on this forecast, it is going to be what it is going to be. We're not going to recover more or less in base rates for bad debt expense, and we're not going to true-up our base rate portion of bad debt expense.

Q. Okay. Thank you. Let me move on to another topic.

Do you have your MFR schedules that you are sponsoring available to you?

A. Well, as I have very many of them. You probably ought to narrow it down. I can simply get them pretty readily.

Q. C-17.

A. I'm sorry.

Q. C-17 is the one I'm going to ask you about for pension cost.

A. I happen to have that.

Q. Do you have it in front of you?

A. Yes, I do. I have got it in front of me.

Q. Okay. On the C-17 on line 29 is the fair value of plant assets?

A. Yes.

Q. Do you see that?

A. Yes.

Q. For the historical year 2008 it lists $3,576,518,000?

A. Yes.

Q. When was that valuation made?

A. 9-30-2007. It as of the measurement date. If you scroll up to the 23rd line; do you see that?

Q. Yes.

A. Okay.

Q. Okay. And for 2009, column 3, there you

have the measurement date 12-31-2008?
A. That's correct.
Q. Okay. Now, this schedule was -- was this schedule prepared after 12-31-2008?
A. This schedule was prepared right prior to our filing because it has the projection of sometime in the, late '08. No, no, no, it couldn't have been because we had the new actuarial estimate. So it was early '09.
Q. Okay. So this schedule was prepared using information that was available on 12-31-08, 2008?
A. Yes.
Q. So when I look at the $2,502,850,000 figure on row 29, that is an actual figure relating to 12-31-2008?
A. Yes. That should be the actual fair value on 12-31-08 that should tie to the actuarial report.
Q. Now, have you had any updates on the actuarial report since that time?
A. No. We go through measurement once a year. It is an extremely onerous process and quite costly and time-consuming, and it starts with the development of a lot of demographic data. And we,

the change in the standard required actually that all companies measure at yearend, that was a big change for us, and there had to be a lot of scurrying around for companies to be able to present their GAAP financials as of 12-31-08. We will not update that view until the end of this year in anticipation of recording the impact for next.

Q. When I look at the difference between the actual amount for 2009 and the history amount for fair value of plan assets, I see they are very close; is that right?

A. Yes.

Q. Do you have any idea which direction that will go if you were to look at it today, whether that would still be so?

A. I have not asked that question. I do not. I don't think anybody's investments are performing very well in any market in 2009 either. But I don't know the answer to that question.

Q. If the value of the plan assets was to go up when compared to the amount that was calculated as of 12-31-2008, what would that do to the pension expense during the test year?

A. If we have gains that occur because we earn over and above our forecasted rate of earnings on the trust assets of 7.75 percent -- keep in mind it would have to earn more than 7.75 percent -- we would defer those gains in accordance with FAS 87, the standard that governs this accounting, and those would be amortized, and the amortization is a fairly complex calculation. There is a threshold corridor. But in general it is amortized over the estimated service life of employees, so it is about 12 years for our company.

Q. And whatever that would be, would that go up to line 5, the amortization of net gain and loss?

A. It would. So if we had some earnings over and above our 7.75 percent rate and we reset the fair value of -- actually, we calculate it on the market value rate, not the fair value rate, because the market value is trapping in the deferrals as you can see. It's deferring gains and losses. That amortization will begin to flow through the credit. And if it is a gain, it will increase the credit over that amortization period. And if it is a loss, it will cause the credit to decline further.

Q. Let me move on a bit. On page 26 you begin to address affiliate transactions.

A. I'm going to have to turn to that if you will give me just a minute.

Q. Sure.

A. Oh, I'm sorry. I am in my direct. You are in rebuttal?

Q. Yes. I do the same thing all the time.

A. Okay.

Q. And what I would like to ask you about is your rebuttal, page 26, lines 19 and 20.

A. Okay. I have a little different pagination unfortunately, but I'm following along here. Okay. John got me there.

Q. The sentence I wanted to ask you about is where you state: "FPL has clear requirements to report its costs accurately in these audited financial statements." Do you see that?

A. Yes, I do.

Q. What are the "clear requirements" that you are referring to?

A. Well, generally accepting accounting principles govern our financial reporting, and it is really no different for FPL in that regard than any other entity. We are a filer for SEC reporting purposes, so we have to report our revenue, our costs, our assets, our liabilities, and our cash flow.

Q. Okay. So the clear requirements you are referring to are GAAP?

A. That's correct.

Q. On page 29 of your rebuttal, the question at the top is: "Is FPL subject to reporting requirements with respect to its affiliate transactions?" And the answer is: "Yes. FPL's affiliate reporting provides a high degree of transparency concerning all of its dealings with affiliates."

What is the affiliate reporting that you are referring to?

A. The diversification report would be probably the best example that we file annually with our Commission here in Florida.

Q. That's your annual report at the PSC concerning your affiliate transactions?

A. Okay.

Q. You call it diversification report?

A. Okay. Yeah, I'm sorry. I know of it from its name, diversification report. John is nodding that it is the annual report. I'm still getting familiar with a lot of the ongoing activities here.

Q. So it is your annual report that you file with the Commission?

A. Yes.

Q. Let me move on to page 33. And what I would like to ask you about is the use of benefits drivers where you use the example of the SAP project.

A. Yes.

Q. Could you tell me what SAP stands for?

A. Strategic something something. I don't know. SAP is a German company. It is a large international company that provides integrated software solutions to large enterprises such as FPL. I am sorry. I don't know what the acronym is.

Q. Is it your accounting software basically or is it more than that?

A. No. It is enterprise-wide. It has modules that cover accounting, procurement, work management, we're not implementing work management, asset management, we're not implementing asset management, but it covers the full spectrum, cash management, of an enterprise's operation. It was developed initially for manufacturing companies, and it has been implemented widely in utilities and other power companies.

Q. Is it customized for FPL or is it something you would just take and implement yourself?

A. If you -- well, these enterprise software solutions can run the gambit from -- they are designed to work under really any operating environment if they're fully implemented because they integrate within itself. But if you integrate only portions of the modules or if you desire customized solutions within the framework of their software, you can spend the extra money and time to do that. So there is a wide range of answers to your question.

FPL is trying to do its best to put in the purest version of the software it can to minimize cost and time while recognizing that a utility business is not a manufacturing business and there are some differences.

Q. On line 6, again, just going a little further in your testimony, you say: "The company has gone to great lengths to analyze each module of the SAP implementation and to determine the relative levels of benefit that each module provides to each affiliate that is participating in this implementation."

Could you describe the efforts that FPL went to with respect to that?

A. Yes. Our sister company, NextEra, already has a full implementation of SAP. And FPL has only it's very, very aged financial and operating system. So we are the greatest beneficiary certainly of the SAP implementation. The enterprise already operates off of the payroll module for SAP and has done so for some time.

So what we endeavor to do, because the implementation was going to provide different benefits for different modules for different entities, we endeavor to look at each one and evaluate the benefits that might be derived. And obviously these are -- we try to quantify in this analysis what those benefits are, but there is a fair amount of judgment, but we quantify benefits.

Benefits might be cost savings for certain areas of the company, and it might represent -- the largest benefits are those that we hope to achieve through the implementation of the supply chain modules, which will allow for more efficient procurement processes and a larger savings through that procurement operation. So they run the gamut.

Q. Well, let me use your response there. Cost savings as an example, the company analyzed the relative cost savings to NextEra and the utility then determined the relative benefit the companies would obtain from the software?

A. I would say we analyze the impacts. Again, some of those are cost savings and some of those are, you know, efficiencies, which I guess would translate into cost savings. Some of those have to do with the vendor negotiation, vendor negotiated deficiencies. So, yes, they can all be quantified. We've endeavored to quantify them all. But they aren't all as simple as reducing staff.

Q. Well, how did you translate that into a driver for allocating the cost?

A. When we came up with the benefits, the absolute dollars of benefit for each module across each entity that was participating in the implementation and thus was going to derive benefits, we looked at the ratio of benefits.

So, for instance, in the financial module, as I said, FPL is getting for the first time a fully integrated financial solution to replace its old Legacy System. NextEra already has an SAP financial enterprise solution. So they're not getting a new enterprise solution, they're integrating with ours.

We're deriving much more benefit, FPL, on the financial module than NextEra is. So our ratio of benefit is higher than theirs, and we're applying that ratio to the cost of that module to determine how much of it FPL should pay.

Q. And so by FPL deriving greater benefit than NextEra, then a greater amount of the cost would be allocated to FPL?

A. For that module, that's correct.

Q. How is the pricing of the module done? Is it done per unit or per enterprise or -- not per enterprise, but per company?

I mean there is a certain cost that the company charges for the use of its software and I am wondering how that is done.

A. Well, I think you might be asking me a different question and I don't want to get confused. On SAP we're implementing a new software solution. So at some point when it is fully developed and implemented, if there are shared use of any of these modules, in other words, if we have not billed out the full cost directly, which I do believe we are in this implementation, then there would be ongoing billing on the part of FPL to its affiliates for any support costs, but we're not planning to do that with SAP. That's why we've gone through the trouble of dividing up the cost of this implementation.

On other support services that are provided through our information management group, we do have, and these show up in the detailed affiliate management fee calculations, we have both hardware and software support that is provided by FPL for affiliates, and we bill that support out annually on different bases depending on what the item is. But two different things.

Q. My question was more toward the actual cost that is paid to SAP for the use of their software. Is there such a thing or am I oversimplifying this?

A. Well, I think we both have an acquisition cost. We have to purchase the actual software. That's one cost. And we then have an ongoing maintenance charge for whatever that covers.

Q. Right. You were describing the maintenance charges?

A. No. I was trying to describe the purchase in my testimony here. I was trying to describe how for this one unique item we were able to use benefits and allocations to discern the amount each entity should pay for a group level acquisition.

Q. Now, at least in my mind, there is a bill that is sent to all the companies for the use of this software? Is there such a thing --

A. There is a bill --

Q. -- or a price?

A. -- that's sent to all the companies for this development cost, not the use, because once they own it, it's theirs. In other words, we're implementing a new solution. We're not billing NextEra for their use of this solution.

MS. BRUBAKER: I'm sorry. This is Jennifer Brubaker at the Commission. We had an interruption.

THE COURT REPORTER: Let me read back the question to make sure that we got your answer. Question: "Now, at least in my mind, there is a bill that is sent to all the companies for the use of this software. Is there such a thing?

THE WITNESS: No, there is not a bill being sent to companies for the use of SAP. There is a bill being sent to each company for the cost of the new implementation of SAP that we are undergoing today.

BY MR. BECK:

Q. Okay. And --

A. Think of that as one time.

Q. Okay. Now, that one-time cost, is it the same -- has it on a per company basis or according to the size of the companies or some other basis?

A. No. No. I am doing a really lousy job of this and I apologize.

Q. Well, I'm sure it is my part too.

A. We looked at each module, okay, so I gave the example of the financial module as being implemented by -- well, minimally by NextEra, fully by FPL, and it is also being implemented by Group and Group Capital and Fibernet, you know, the whole string of operating and parent companies.

So we looked at the benefits being derived by that implementation individually by entity. And then we summed up those benefits, and the ratio of those benefits by entity is the amount of that module's cost that they're going to bear.

Q. Now, here is my question: For the purchase of that module that all the companies are sharing and using and you use the benefits to allocate that cost, how is that cost in and of itself determined, I mean, the price from SAP to purchase that software?

A. It is a negotiated purchase.

Q. Okay. So there is not like a price per company or based on size, it is simply a negotiation between --

A. And, you know, honestly, this -- I'm oversimplifying this a lot because I'm focused on the billing piece. There is a very complex contract that we have with SAP. But if you want to understand what went into how that contract is priced out, you really have got to talk to witness Bennett.

What I know about is based on each of those, of the pieces of that price, how we have discerned that we should be sharing in that billing. But, again, it kind of a one-time billing across all the entities that will benefit from its implementation.

Q. Thank you. That does help. Let me move on to the gain on sales, which begins at page, the bottom of page 34.

A. Yes.

Q. And in here you dispute the gains on sale adjustment by Ms. Dismukes by differentiating gains from sale of entire gas plants, as an example, from gains that arise from the sale or interim retirement of retirement units?

A. Yes. I'm distinguishing, you know, system or facilities transactions from individual retirement unit, retirements and sales, yes.

Q. What is the definition that you use for a retirement unit?

A. A retirement unit for our company and every other regulated utility, I believe, certainly regulated electric utility, is defined by its property retirement unit catalog. And it is a definitional view that looks at each of the pieces of equipment or intangible plants or whatever it might be and defines that unit for which it should be on the balance sheet, recorded on the balance sheet, versus expense.

Q. Okay. And that's used in your depreciation studies?

A. It is.

Q. And what is an interim retirement?

A. An interim retirement would be not unlike these, where you have a retirement unit that is, in this case that Ms. Dismukes was looking at, these were sold, retired and then sold prior to their economic service life transpiring.

Q. Okay. So the items in Ms. Dismukes' adjustment are units that were sold prior to the end of their economic life?

A. Yes.

Q. And each of the sales that she has in her adjustment are sales to affiliate companies, are they not?

A. Yeah. And let me clarify. She's got a very long list taken from what I have been calling the diversification report that you have noted for me is the annual report, and many of the items on there are inventory items, of no consequence whatsoever.

When you sum up her cost and her fair market value sales price and you have got the delta that she would like us to defer, there is really only two items, and those are the retirement units I'm talking about, the combustion turbine rotor that was reported in '07, and I think it is a large transformer, yes, in '08.

Q. And in your analysis, it makes no difference that the sale took place to an affiliated company as opposed to just like a salvage transaction of a unit?

A. Well, no, it makes a difference. It was reflected at market, so we retired that retirement unit by crediting 101 at its original cost, but we've recorded the cash received by our affiliate at market, which you can see is greater than that book, and that benefit is flowing into the reserve 108 account as a credit to 108, so increasing our reserve.

Q. But by doing it at market, that is simply the basis for the gain, is it not?

A. The market above that net book value equals the gain, that's right.

Q. How are the prices determined for the sales to the affiliated -- is there a study done that determines the market for the price, or the sale price?

A. There should be an appraisal for each.

Q. So if we looked at that combustion turbine, there should be an appraisal of that, or the blade, I guess it was?

A. There has to be something that they're pointing to. I say appraisal because that's what I run into when I have looked at these before. But there would either have to be a recent purchase that they could point to or an appraisal of the individual item. Something to determine market, a fair market value.

Q. Do you know why these units were sold to affiliate companies?

A. I have not researched them. They would have been sold opportunistically. They would have been items that were not in use at the utility that could be sold to our affiliate.

Q. Are there USOA rules that you follow in order to, for the treatment that your testimony follows? What USOA rules are you following?

A. Bear with me a minute and I'll get you the reference.

I'm referring to additions in retirements of plant, which is part 101, item 10, 10 B-2 which discusses the treatment for retirement.

And as you know, the customer is receiving the benefit through the increased reserve. It is just flowing through using typical regulatory accounting through that reserve versus being transacted somehow outside of the utility accounting system.

Q. Turn to page 36 of your testimony.

A. Okay.

Q. You on line 5 cite a report released by Citi that notes that the "Management also mentioned their previously given long-term outlook of bringing 7,000 to 9,000 megawatts of new wind online is 'overly optimistic'." Do you see that?

A. I do.

Q. Do you have that report or could you cite me where I could find it?

A. I have it from an internal company distribution, so I don't think I can do better than to provide it because I don't have the independent report. It is summarized and sent around internally. We can certainly provide it.

Q. Okay. Could we get that as late-filed exhibit?

MR. BUTLER: That's fine.

MR. BECK: Would that be number 3?

MR. BUTLER: That's 6; is that right?

MR. BECK: Is it number 3 or --

THE WITNESS: 6?

MR. BECK: 6? I'm completely lost.

Okay. Number 6.

THE WITNESS: I think it is 7.

MR. BECK: And it would be the Citi

report.

THE WITNESS: It's called Lower Wind Development Outlook Takes a Little Shine Off the Growth Story.

THE COURT REPORTER: Is that the title? Could you describe that exhibit again? Is that Exhibit 6 late-filed?

MR. BUTLER: Exhibit 6 is the 2010/2011 recalculated D-1A reflecting KO-16 adjustment.

THE COURT REPORTER: I'm sorry. The witness was just describing the last late-filed exhibit, is that Exhibit 7?

MR. BUTLER: Yeah, that's 7. I would suggest Citi Report on Wind Power Outlook. Does that sound okay?

THE COURT REPORTER: Thank you.

MR. BECK: That's great.

(Late-Filed Deposition Exhibit 7 to be marked for identification.)

BY MR. BECK:

Q. Could we turn to page 45 of your testimony?

A. Yes.

Q. And I would like to ask you about the statement on lines 9 through 11.

A. Okay.

Q. It says: "Each affiliate provided their Massachusetts Formula components after developing a business plan for the forecasts years."

A. That's correct.

Q. Have you provided that in response to discovery?

A. Oh, my goodness, yes. Do you need us to reference you?

Q. Well, I wanted to see whether that was in response to our production of documents number 106.

A. Oh, I don't know off the top of my head, but we can certainly find out.

It is the result, not the business plan itself.

Q. Right. You didn't provide the business plans for the affiliates?

A. No. The result of the plan.

Q. Okay. And is there anything else other than what was provided in response to our production of documents number 106?

A. Well, are you talking about revenue specifically, since this is what this Q and A was talking about, FPLES revenue?

Q. Right.

A. We've answered hundreds of interrogatories, many of which had to do with affiliate transactions, so if you could be more specific.

Q. No, I cannot.

A. Okay. How would you --

Q. Well, I think we'll just leave it at what you said.

A couple of questions. I know you were asked a number of questions about the FPL-NED.

A. Yes.

Q. Do you know how long that has been recorded on the books of FPL?

A. It was purchased -- bear with me a minute because I do have that. In 2004.

Q. Are the costs associated with FPL-NED recorded below the line for ratemaking purposes?

A. No. They are just simply removed. They are removed via separation factor of zero, giving no effect to retail ratemaking.

Q. Okay. And you described that to Ms. Bennett earlier; is that right?

A. I believe I did.

Q. And FPL is regulated by FERC, or FLP-NED is regulated by FERC?

A. They're regulated both by FERC and the Northeast Power Pool, as I understand it.

Q. Are the prices regulated at all by the New Hampshire Commission?

A. Now you are getting beyond what I can probably talk intelligently about.

Q. All right. One last question. Do you know who the customer is with FPL-NED or customers?

A. Yes. Seabrook is a customer and the Pool itself is a customer. So the parties that take transmission services from NED and the Pool are customers.

Q. Okay. Great. Thank you.

Could you turn to your Exhibit 15, KO-15?

A. Yes.

Q. I want to ask you a few questions about some of the specific lines. If you could, on the very top there is FPL capacity adjustments and the first row is megawatt capacity per forecast. Do you see that?

A. Yes, I do.

Q. And for 2009 it is listed as 19,753?

A. Yes.

Q. Does that figure include the capacity for West County Unit 1?
A. Yes, it does because the only adjustment we're making for '09 is the small correction of 31. So it has to include all West County capacity, for Unit 1 I should say.
Q. And what kind of capacity is represented by that figure?
MR. BUTLER: Which figure, the 31 or the 19,753.
MR. BECK: The 19,753.
THE WITNESS: Generating capacity.
BY MR. BECK:
Q. Is it net summer peak capacity?
A. We've responded and I can't recall. There is a very specific calculation, and, honestly, off the top of my head I cannot recall.
Q. Now, if you know, again for the 19,753, do you know how much capacity is included for West County Unit 1?
A. I don't know exactly. It would be approximately 1200 megawatts.
Q. And that is operational, is it not?
A. No, it is not.
Q. Do you know when it will become

operational?

A. Any day.

Q. The second line that Mr. Butler referred to, the 31 adjustments to existing capacity, how is that number derived and what does it represent?

A. We're correcting our forecast to this more precise 19,722, so I can't tell you exactly what the error was in the original forecast. I don't have that detail and have not studied that detail, but it is just a correction of the estimate in the forecast.

Q. Okay. And, again, that's included in 2009 and then it is also added in in 2010?

A. Because it is a cumulative effect. You see how on the forecast we rolled through the same number in each period, and now we're rolling through the corrections that needed to be made to give the more accurate view of what each of those years would present for FPL capacity.

Q. Okay.

A. The adjusted, because the starting point was wrong in both years.

Q. For 2011 it is 1,188, do you know what that represents?

A. There were -- there were additional

corrections that --

THE WITNESS: I'm sorry? Oh, yeah. Thank you, John. I'm getting dense.

Yes, the 1,188 is the sum of the 1219 and the 31. So we've rolled through in each period. Because our starting point was wrong, very slightly wrong in '09, a little more wrong in '010, and we missed West County 3 in '011, so we rolled through those corrections in each period.

BY MR. BECK:

Q. Okay. Let me move down just a little bit on the page to the NextEra capacity adjustments. And under adjustments to existing capacity there, there is a figure of 34. Do you know how that was derived?

A. No. Again, it is a correction of the earlier forecast. I do not know specifically.

Q. And that would be true for all the corrections there, the same answer?

A. Yes. Well, there is just the one, and then we show -- you know, it is the same format. Then we show the unidentified wind addition update and we roll that through.

Q. And what is the source of your data for those corrections?

A. NextEra themselves.

Q. Do you recall when you received that information from NextEra?

A. I believe during the process of preparing rebuttal, which would have been -- I mean, what we endeavored to do here was to demonstrate that our forecast, though not precisely accurate, we're darn close and made almost no difference in the allocation. So we reached out.

I mean, normally I don't think we would do that except there has been a dramatic change in prospects for NextEra, so it made sense to sort of see how well that lined up. And so that would have been in the end of July/early August timeframe, I would think.

MR. BECK: Okay. Terrific. Ms. Ousdahl, thank you very much. I appreciate it. And That's all the questions I have.

MR. BUTLER: Before we go to the next question, we need to take a short break here. Ms. Ousdahl is getting a little weary after talking about accounting for hours after hours.

MR. MOYLE: Who else has questions?

This is Jon. Do you know?

MS. GRIFFITHS: This is Meghan with SFHHA. I will have some questions.

MR. BUTLER: Do you have questions too, Jon?

MR. MOYLE: A few. I'll let Meghan go first, and then anything she doesn't cover, I'll followup with.

MR. BUTLER: Okay. So We can keep it pretty short. Come back at 4:30.

(Brief recess.)

CROSS EXAMINATION

BY MS. GRIFFITHS:

Q. Good afternoon, Ms. Ousdahl. My name is Meghan Griffiths, and I represent South Florida Hospital and Healthcare Association. I am going to proceed with some questions first on the issue of FIN 48. So could you please turn to page 6 of your rebuttal testimony and also pull up SFHHA's ninth set of interrogatories, question number 278.

A. I've got my testimony. We're hopefully pulling the interrogatory.

Q. I think we can get started while they're pulling up that and we can refer to it later if we need to. Ms. Ousdahl, you are familiar with the term FIN 48, are you not?

A. Yes, I am.

Q. And what does FIN 48 stand for?

A. It is a financial interpretation number 48. It deals with the accounting for uncertain tax position.

Q. And has FPL adopted FIN 48?

A. Yes.

Q. All right. Has FPL quantified its uncertain tax position in accordance with FIN 48?

A. Yes, we do.

Q. And then just for clarification, so I can make sure my understanding is correct and it is the same as your understanding. Is FIN 48 more or less a requirement that companies quantify uncertain tax positions in the event that in the future the IRS may determine that there is some liability associated with their tax positions? Is that accurate?

A. Well, I think the purpose of FIN 48 was to try to, the standard setters believed that we needed to as filers provide the represented assets and liabilities under a certain method of calculating those, a probabilistic method, that would represent obligations or benefits that might be derived from positions we were taking in our filings, in our tax filings that were uncertain.

Q. And is it FPL that has the discretion to determine which tax positions may result in an obligation?

A. FPL's responsible for appropriately reflecting generally accepting accounting principles in its financial statement; and, therefore, I believe the answer to your question, if I understand it is that, yes, our company is responsible for applying that GAAP FIN 48 appropriately in our financial statement and recognizing the obligations or benefits that we estimate will be derived from these uncertain tax positions.

Q. And could you explain for me the relationship between FIN 48 and the ADIT benefits?

A. Well, as it is reflected in our 2010 financials, our uncertain tax position as required by FIN 48, largely relating to repair projects and some mixed service cost overhead items, are reflected as a credit to accumulated deferred taxes. So we've both reflected it that way for financial reporting purposes for regulatory reporting, and we've reflected it that way in these MFRs for 2010 and 2011.

Q. And so let me more specific. When you say that your FIN 48 quantification is reflected as a credit to ADIT in the capital structure, what you actually mean is that the amount that you have quantified for FIN 48 reduces the amount of ADIT to be used in the capital structure; is that accurate?

A. No. It has increased the amount of accumulated deferred taxes in our capital structure, which I believe was the nature of the interrogatory.

Q. Yeah, and so let's talk about that. How much has the company quantified associated with FIN 48?

A. For the 2010 test period we included 168 million.

Q. And that 168 million is a potential liability of the company with respect to its future tax payments?

A. No, I wouldn't say it is a future liability. The 168 million represents the timing differences that arose from the position we're taking in our tax return associated with certain items. I mentioned repair projects and mixed service costs. So deductions we're taking that create timing differences that we're recording the associated deferred taxes with.

Q. Okay. That create the timing differences. So basically did the ADIT go up or down as a result of the amount that you quantified for FIN 48?

A. It increased. It was a credit to accumulated deferred taxes. We're giving the customer the full benefit of our estimated uncertain tax position, a zero cost capital in the cap structure.

Q. Okay. I understand it. And that's why I'm just trying to get clear on the subject matter.

So basically let's turn and just use this for illustrative purposes, to your Exhibit KO-12. And I realize this exhibit is used for something else entirely, but I just want to use it to examine just a hypothetical or capital structure and you have an item there listed for deferred income tax.

A. I do.

Q. Okay. So the company quantified, and this is -- do you know what the company's actual total ADIT was not counting FIN 48?

A. No. Let me try to clarify. We're not -- in the case of 168 million, we're not reflecting additional timing differences that we don't believe we're entitled to. FIN 48 required us to cull out those uncertain tax positions. The positions we are taking on our return, in this case it gave rise to accumulated deferred taxes, and reflect risks associated with those as a part of financial reporting.

And by risks associated with those, I mean, we also are required to record any interest that might be owed on a position or interest that may be received. So it didn't change anything from a regulatory accounting perspective on how we would record our deferred taxes. The timing differences existed before or after FIN 48.

Q. Understood. So basically you have made no adjustment whatsoever to the amount of deferred income tax in your capital structure with respect to the FIN 48 quantification?

A. Our capital and structure reflects the accumulated deferred taxes that we expect to record in the test year for 2010. Those accumulated deferred taxes, a portion of that $3 billion balance has been reflected, or identified as uncertain tax position. So it makes up a subset of what is otherwise reported as accumulated deferred taxes.

Q. Okay. Did the ratio of deferred income tax in your capital structure go up, down, or stay neutral with respect to the quantification of FIN 48?

A. It has not been affected by FIN 48. It is the same amount of deferred taxes that would be reflected in capital structure with or without FIN 48.

Q. Okay. Thank you.

I'm going to turn to the issue of the GBRA, and I would like you to pull up FPL's response to SFHHA, the second set of interrogatories, interrogatory number 105. Could you explain for me the basis of the company's request for an 8 percent return on rate base versus a 9.82 percent return on the GBRA?

A. The 8 percent return, as reflected in D-1A, was originally filed in accordance with Commission practice and proper regulatory accounting treatment. It reflects the overall rate of return on a 13-month average embedded rate base and based on those properly weighted sources of capital in support of that rate base. And it is being applied to all of FPL's, the 8 percent return is being applied to FPL's requested jurisdictional rate base for purposes of calculating our return and resulting rate increase.

The 9.82 percent rate of return that we have included in the West County Unit 3 schedule represents the return that results from application of generating base rate adjustments as it was designed in the context of the stipulation that we're relying on and requesting that the Commission formalize in its policy on a go-forward basis for our company.

And that stipulation pointed to the need determination calculation of revenue requirement for purposes of calculating the capital cost associated with new plant that would be recovered under GBRA.

The one thing I need to add is that the 9.82, as you know from looking at the schedules, includes our requested equity cost of capital of 12.5. The stipulation designed GBRA looks to the company's current cost of equity for purposes of calculating the overall return. We obviously are trying through this request to reset our equity and thus have tried to include a representation of that return as it would exist after this base rate determination is made.

Q. Okay. The capital available for the GBRA, does it include, does the GBRA include deferred taxes, ITCs, and customers deposits in the capital structure?

A. We account for the deferred taxes associated with West County 3 in our rate base calculation. The remaining calculation of, the overall rate of return does not include components other than debt and equity.

Q. So it includes, and help me out here, it includes short- and long-term debt and equity but it does not include deferred taxes, ITCs, or customer deposits; is that accurate?

A. It includes the deferred tax component in rate base. So it looks at capital cost of GBRA plus or minus -- I'm sorry, the capital cost of West County 3 plus or minus its deferred taxes for purposes of calculating rate base.

On the cost of capital side it includes only what is typically looked at as that incremental cost of capital as utilized in a need determination calculation.

Q. And I think where I'm getting lost, and maybe you can clarify for me, when you say that it includes the deferred taxes in rate base, in my mind that is not -- are you inferring base rate or -- could you clarify for me what you mean by that?

A. Yes. I am sorry. I'm probably not being clear. When we calculate our effect of GBRA capital for purposes of applying -- West County 3 capital, for purposes of applying a return, in order to come up with a revenue requirement, we have tried to mirror what is included in the need determination process. And this is the way it is approached from a need determination perspective because it is an incremental evaluation of the cost of that asset.

So if you turn, I don't know if you have them handy, but if you turn to our B-6 schedules that we filed --

Q. Let me --

A. -- we show the rate base calculation, and it starts with our production plant estimate that was developed as a part of the need determination of $820 million. It adds to that the transmission that has to be put in place to serve that third unit of 45 million.

Q. I'm sorry to interrupt you. But could you tell me what page of B-6 you are on? Or are you looking at your West County -- you're looking at your West County schedule, correct?

A. Yes, I am, West County 3 B-6, page 1.

Q. Okay. Go ahead.

A. That gets us to line 29, plant inservice. Then we reflect on page 2 of B-6 for West County 3 the accumulated depreciation of 16.4. We include the depreciation for the clauses. And then we include an adjustment for deferred tax of 5.8 million. That gets us to total rate base.

So we've included our deferred taxes in rate base instead of including -- because that's the way it's just been developed for need determination, you get to the same place, whether it is in rate base or in cost of capital. Then we're applying the 9.8 percent return that you are recognizing or referring to.

Q. And so what accounts for the difference in the higher return for the GBRA, the 9.8 versus 8 percent, is it just the incremental -- is it the cost of debt?

A. Well, D-1A is calculated on an incremental basis for this new generating facility only, so it assumed, as was done in the need determination, that only debt and equity would be provided as sources for purposes of the GBRA investment on day 1.

And then we have costed out as within the need determination that debt cost, and we've applied, as I said, our common equity request in this proceeding.

So, yes, we don't have $3 billion of deferred taxes associated with GBRA. This is the GBRA only view. I'm sorry. I keep saying that. This is the West County 3 only view of revenue requirements for this interim base rate approach for West County 3.

Q. All right. So I think I'm getting it. And sorry this is taking a little while. But it does not -- so to calculate your revenue requirement for West County Energy Unit 3, you looked at only the debt and equity portion, you did not count the low cost capital available from ADIT, ITC, or so on; is that accurate?

A. Include the deferred taxes that would be reported for West County 3 in the first year, that's it. We're not reflecting the embedded cost sources for the company overall because the need determination isolates out the cost associated with that investment.

Q. Okay. I got it. ADIT associated with the unit itself?

A. That's correct.

Q. Okay. Thank you.

Did the company do any calculation to determine if it had put your Unit 3 in rate base if the revenue requirement associated with that asset would have gone down because of the various forms of capital embedded in the capital structure and rate base?

A. Well, I think answering that depended on a few other assumptions. GBRA is intended to go into place when that unit goes commercial, which in the case of West County 3 will not be on 1-1-2010 or 1-1-2011. It will be, we hope, June 1, 2011.

So in base rate setting, typically speaking, assets have to be reflected on an embedded cost 13-month average basis. What we're doing here is implementing GBRA for West County 3 designed to go into place on full one-year revenue requirements, but not until the unit is in service. So it is not a one-for-one comparison from that respect.

Q. I understand that. And I think I'm just trying to get a picture here, though, of how the different weighted average cost of capital for rate base versus the weighted average cost of capital for the GBRA would impact the revenue requirement associated with that asset.

So is it possible to make the assumption that the unit was going to go into service at the time that your new rates would go into effect, January 1, 2010, would the revenue requirement associated with that asset be lower as a result of having the asset in rate base versus if it had the lower weighted average cost of capital?

A. If we used an 8 percent return to calculate the revenue requirements for West County 3, it would be a lower overall revenue requirement than the need determination approach that we have in employed.

Q. Okay. Thank you.

Now, you talked about the needs determination made the determination that it would look at debt and equity for that asset. However, is this the case that the same sources of capital that are available to FPL to pay for that asset are the same sources of capital that are available to it to pay for other rate based assets?

A. I hate to make you do this, but do you mind repeating your question?

Q. I hate to have to repeat it because I'm not sure I can. Let me try it again. Let me just back up. Because if you go to interrogatory number 105, you've used the term "incremental sources of capital."

A. Okay. Wait. I've got to find 105. Here we go. Yes, I'm with you. I'm sorry.

Q. What do you mean by "incremental sources of capital"?

A. Well, the incremental analysis is that used in the need determination. When you are evaluating investment alternatives, and that's the context of the evaluation that is done in a need determination proceeding, you would utilize only incremental costs associated with debt and equity to put each of these sources on equal footing. So that's the economic approach taken to evaluating these resource alternatives.

Q. Now, does that approach make the assumption that there are different sources of capital available to fund that particular unit than would otherwise be available to the company to fund other assets or other parts of rate base?

A. This analysis is ignoring all other costs associated with the company's operation, and it is isolating out the cost associated with West County 3 by design for purposes of evaluating the economics of that alternative. So it bears no connection in that regard to the other embedded sources of capital in the business.

Q. Okay. Now, earlier on in this deposition, several hours ago, you went through an exhibit with the staff, and I am not sure if I have the number correct. I think it was staff interrogatory number 15. And you were asked some questions regarding --

A. Staff 15?

Q. Yes.

A. You are saying we went through it today?

Q. You went through it with Ms. Bennett earlier today. And basically your response to her was that you were not able to -- the company is not able to identify in rate base where capital comes from for the various assets that were identified in that exhibit. Do you recall those questions?

A. If we're talking about D-1A, I didn't say we couldn't identify the source. In fact, I think I tried to be very clear, we can't identify how it is used. I mean, we know when we've issued common equity. We know and can trace the derivation of the deferred taxes we're recording because those are timing differences related to certain transactions. We can't trace after that derivation of source how those sources of capital are used then in support of the business.

Q. Okay. And thank you for clarifying that, because what I want you to explain to me is why you can't trace those sources of capital with respect to, I believe it is D-1A, but you can, it appears, identify incremental sources of capital with respect to West County Energy Unit 3.

A. What this is assuming, the West County Energy 3 cost of capital calculation, it is isolating out the sources that would be utilized to invest in this asset.

So forgetting everything else that is going on in our business today, if you went out and financed this asset and you wanted to compare it heads up with other alternatives, you would finance that with a mix of debt and equity. That's what this is isolating out.

The conversation that we had today with Ms. Bennett had to do with trying to identify sources and link those to rate base adjustments, and that's the process for which I cannot comply. I can't do that.

Q. Okay. I understand that, so let me ask you this: Is it the case that you cannot finance West County Energy Unit 3 based on capital available from ADIT, ITC, or customer deposits?

A. No, it's not that you can't finance the acquisition through all sources, but we're assuming those sources are already deployed in the existing rate base, so we're looking at this separately.

Q. Let me move on to your Exhibit KO-12.

A. Okay.

Q. And I have some questions regarding this exhibit, and I also need some explanation from you on how this shows a potential -- well, first of all, does this exhibit show a potential normalization violation that could result from double counting deferred income taxes?

A. Yes, we believe it does.

Q. Okay. Now, I wanted to ask you about some of the assumptions that you make in this exhibit, and the ones that I noticed, and if you could explain to me why you did this, the clause capital structure that you have in the upper right-hand corner of this exhibit --

A. Column 2.

Q. Yes, that's correct -- what does Wtd COC stand for under the last column there?

A. Weighted cost of capital.

Q. So the weighted cost of capital that you use here is 8 percent; is that accurate?

A. Yes, that's what is reflected in this example.

Q. But that's not the weighted average cost of capital that you are proposing for the GBRA, correct?

A. No. As you know, this is an illustrative example on the impact of capital structure reconciliation.

Q. So is it the case, then -- and you say clause capital structure. Are you referring to any particular clause?

A. No. The example's intended to show that there are items that are eliminated from capital in order to reconcile -- eliminated from capital structure in order to reconcile to rate base that include costs, including capital costs, that we recover through clause. So it is duplicating in column 2 the capital structure as it would apply to $700 million of clause investment.

Q. But the hypothetical clause capital structure, it doesn't reflect any actual capital structure of any clause that the company currently has, correct?

A. No. It is intended in our clause rate setting to reflect the embedded cost structure and capital structure that has been approved by the Commission in prior cases. So it is matching the capital structure that we're allowed to collect from a base rate perspective.

Q. I don't think I understood that, what you mean by it is matching the -- that last sentence that you said. Could you explain it to me?

A. This specific example shows that the column 2 weightings for clause capital structure are identical to the weightings for the total utility capital structure. The idea would be that for clause recoveries that are simply being recovered from another mechanism and there are dollars set for whatever reason, environmental dollars or so forth that are being recovered through other vehicles, the weightings in the costs are the same.

Q. Okay. And the result of a double counting would happen then because the clause capital structure also includes a -- for example, I'm looking at bottom right column, the third down, where you have got this circled number 112 --

A. Yes.

Q. -- where it has got deferred income tax in the clause capital structure, and I believe you've added that to your base rate capital structure and that's how you got the higher than equal amount of deferred income taxes in your total utility capital structure. Did I get that?

A. Yes, I would say that was an accurate discussion of the page, the bottom part of the page.

Q. Okay. Now, can you -- now, in taking the example of the GBRA, because -- and actually using one of the clauses that the company currently has in place, how does the company determine the ADIT in the capital structure associated with that particular unit? For example, the West County Energy Unit 3, what does the ADIT arise from?

MR. BUTLER: I'm going to have to object to the form of the question. It seems like you are calling the GBRA one of the company's existing clause mechanisms, and it is not. It is a separate type of mechanism, but certainly as referred to on this exhibit on the Commission's established clauses, like the fuel clause, capacity clause, conservation, environmental, it is not in that same category.

MS. GRIFFITHS: Okay. All right. Thank you for that clarification.

BY MS. GRIFFITHS:

Q. Are you concerned -- let me ask you this because it raises another question for me, Ms. Ousdahl. Are you concerned of double recovery of normalization violation resulting from, associated with the GBRA?

A. No, I'm not.

Q. Okay. Thank you for that clarification. And even with Mr. Kollen's recommendations, you are not concerned about that?

A. Which recommendations of Mr. Kollen's are you referring to?

Q. I'm talking about on page 10 of your rebuttal testimony.

A. My rebuttal?

Q. Yes.

A. Where I'm discussing normalization violation associated with potential double dip?

Q. Yes, that's correct.

A. And your question is am I concerned I will have a normalization violation if we deployed GBRA in the way that it has been being deployed since Turkey Point 5 was put into service back in '07?

Q. You know what, I think that was a very poorly worded question on my part. Let me back up and just make sure that my understanding of your concerns regarding normalization violations is correct.

Is your concern regarding normalization violation limited to double recovery associated with deferred taxes in the company's existing clauses?

A. Well, the company's concerns about normalization violation would contemplate any inconsistency that might be ordained through ratemaking that would provide for different assumptions around books depreciation, depreciation -- the resulting depreciation expense, income tax expense, and rate base. So it runs the gamut of any consistency violation.

And the proposal that we have made in the base rate filing herein as filed and the proposal we have made for the Commission to continue GBRA does not represent a normalization violation.

Q. What recommendation does Mr. Kollen make that you believe could result in a potential normalization violation?

A. Mr. Kollen, as I understand it, recommends that the Commission make all reconciling adjustments to capital structure in D-1A over investor sources only, as I'm trying to illustrate in KO-12.

Q. Okay. All right. Understood. And then do you distinguish -- how do you distinguish Mr. Kollen's arguments regarding the investor sources, basically making adjustments to investor sources of capital as different than what the company, or than what the Florida Public Service Commission recommended in the order that Ms. Bennett had you go over earlier today? I believe that is Docket Number 080677 and it is Exhibit KO-11, page 8.

A. And which company order was that?

Q. That one is the Gulf Power Company.

A. And you are asking me to compare what Mr. Kollen's recommended with regard to investor sources only reconciliation adjustments with what was done in Gulf Power --

Q. That's right.

A. -- in this order dated June 2002?

Q. That's correct.

A. Mr. Kollen is recommending, as I understand it, that all of our pro rata adjustments, which total some $2 billion, be applied only to investor sources, resulting in a tremendous increase in the overall deferred income tax component of capital structure.

That is not what was done in the Gulf order. As we discussed this morning, the adjustments were done over pro rata sources by the company. The very small amount of final adjustments by the Commission, and I don't recall the number, but it was very insignificant, those were performed over investor sources only. A tremendous difference in result.

Q. Okay. Could normalization violations be avoided by keeping the ADIT in the base rate capital structure as opposed to moving it to the clause recovery capital structures?

A. Potentially. I mean, the Commission has designed its clause recoveries of capital items to utilize appropriately the company's overall cost of capital so as to not get into sort of the reconciliation nightmare that you are suggesting.

Q. So -- but if you did keep it in rate base, then you would not have the concern of the normalization violation; is that correct? I should say the rate base capital structure to be more specific. Sorry.

A. No. What would happen -- I'm trying to play that out -- if you captured 100 percent of deferred income tax in base rate, you would lower your base rate return, and so, therefore, you are going to have to increase it in clause and AFUDC accrual. You're going to have to change what you do when you develop your AFUDC rate, and you're going to have to change what you do when you develop your clause cap structure. So you're going to have different rates of return in different, in ongoing different recovery mechanisms. I don't see the benefit of doing that at all. The method utilized today works well.

Q. And just to play it out, if you did have your ADIT in your base rate capital structure, what would be the impact on the overall revenue requirement if you were looking at, say, base rate plus your clauses?

A. I have not calculated that. I mean, you would lower one and you would raise the other. Hopefully the idea here would be to get the same return overall, but I have not calculated that.

Q. Okay. Regarding AFUDC, is the AFUDC rate the same as the rate of return and rate base?

A. It is calculated on the same basis. It is reset every year. In the Commission rules they outline the approach and it utilizes all sources of capital.

Q. Okay. Is ADIT accounted for in AFUDC?

A. It is.

Q. And does FPL follow the FERC uniform system of accounts with respect to AFUDC?

A. Well, the FERC AFUDC calculation, as I understand it, does not include accumulated deferred taxes. It includes the offset of accumulated deferred taxes in rate base. So we follow the Commission's methods. It is just a different way of collecting the same dollar of cost.

Q. Okay. Got it. So the ADIT is in AFUDC for the Florida Public Service Commission whereas it is accounted for differently for the FERC uniform system of accounting in rate base?

A. It offsets rate base for FERC regulatory purposes, as I understand it.

Q. I wanted to ask you -- and I'm switching gears here now to the ITC adjustment that you made in Exhibit KO-16. And that I believe is listed as item number 18?

A. Yes.

Q. So am I correct in understanding that the revenue requirement impact of your moving the

ITC credit to the environmental clause is a decrease in the revenue requirement?

A. Yes.

Q. Of approximately $1.5 million?

A. Yes.

Q. All right. Now, if I understand this correctly, decreasing the ITC amounts in rate base also decreases the cost free capital associated with those assets in the capital structure; is that correct?

A. No.

Q. Okay.

A. As you --

Q. How does it impact the capital structure to remove the investment tax credit?

MR. BUTLER: I'm sorry. Mrs. Ousdahl, was not finished with her answer.

MS. GRIFFITHS: Oh, I'm sorry. Go ahead, Ms. Ousdahl.

THE WITNESS: As you can see on D-1A, which I don't have in front of me, but we've looked at today, ITC is one component. And when we change any of the component amounts, it is going to change the ratio. Each of those components has a different cost. The

ITC rate is 9.7 percent.

We've lowered the ITC rate -- I'm sorry, we've lowered the ITC ratio by removing those dollars, which has lowered then the overall rate. When we then apply that to rate base, it lowers revenue requirement.

BY MS. GRIFFITHS:

Q. Thank you for pointing me to that exhibit. That helps.

A. Let me clarify. It is not a cost free source of capital.

Q. And I see that. Thank you.

And let me move to another topic now, which is the adjustment to the revenue requirement associated with the NEIL distribution.

A. Yes.

Q. Which item is that on KO-16?

A. Number 2.

Q. All right. So for the record, what does NEIL stand for?

A. Nuclear Electric Insurance Limited.

Q. And so am I correct that NEIL is a utility owned insurance program that insures FPL for losses regarding its nuclear assets?

A. NEIL is a mutual insurance entity that we participate in, along with other owners of nuclear plants, to insure collectively certain portions of potential losses.

Q. And you received distributions from NEIL in 2008; is that correct?

A. I understand that we did.

Q. And were those distributions approximately $175 million?

A. I do not --

Q. I'm sorry. I gave you the wrong number. Do you know the distribution amount associated with the NEIL program in 2008?

A. I don't have our '08 distribution, but it was probably along the lines of what we adjusted here, more on the order of 10 or 11 million dollars. I just don't have that in front of me.

Q. Okay. Let's see. Could you turn to page 57 of your testimony?

A. Yes. I am there.

Q. All right. On line 3 through 11 you say that "the company has been alerted by NEIL in December 2008 to the possibility that poor investment performance in 2008 might affect NEIL's ability to make future distributions."

A. Yes.

Q. Did you review any documentation that told you that NEIL would not be making distributions in 2009?

A. There were a number of sources that were reviewed by the company. I am supporting this from an adjustment perspective only. But I understand we participate as a member rep -- we have a member representative that participates. There are periodic meetings with NEIL's membership and board throughout the year.

They sent us a letter at the end of '08 alerting us to the decline in surplus of more than a billion dollars, the extreme loss year they suffered in '08, and made it clear that their goals had to be to rebuild the surplus and ready the funds for future losses and that we should not as member companies be anticipating distribution.

MR. BUTLER: I was not able to jump in quickly enough there to ask, but, Ms. Griffiths --

MS. GRIFFITHS: Yes.

MR. BUTLER: -- I think I heard in your question you asking Ms. Ousdahl about what she had reviewed in coming to the conclusion reflected in her testimony that there was not going to be a distribution for 2009; was that right?

MS. GRIFFITHS: That might be what I said.

THE WITNESS: I was answering '09. They talked to us about '09 and -- well, right, we've adjusted what was in our forecast for 2010. Her question was about '09, and I was answering with regard to the expectation for '09 and beyond.

MR. BUTLER: Okay.

BY MS. GRIFFITHS:

Q. And perhaps I should -- unfortunately, you just had me have cause to ask more questions.

Is there any difference in the company's belief that there will be distributions in '09 versus '010; do you have any sources of documentation or information that confirm that the company will not be receiving those distributions?

A. No. We have no additional sources of information other than the letter and the participation in the meetings that I referenced in response to your other question.

Q. Okay. And did anybody in this proceeding provide any supporting documentation to reflect that the '09, '010, or '011 distributions for NEIL would be different than they were in prior years?

A. I reference the letter that I saw, the annual report that you sent me last night, which certainly underscores our assumption, and that is all I have reviewed.

Q. And so let me ask you about that annual report. I reviewed it and I saw no statement that reflected anything asserting that the company, that NEIL would no longer be making distributions, and so I was wondering what you are relying on in addition to that annual report. Is there more information provided to the company than is provided in that annual report to shareholders?

A. Well, again, I had not reviewed the annual report; but I completely disagree with your statement that there is no information here that points to the very likely event of the lack of distributions in the future.

Throughout this entire report, the overview on page 5, which notes their challenging year, worst year ever for loss, suffered through the most difficult year from an investment perspective.

They note on page 6 at the end: At

year-end we remain concerned about the economic outlook for 2009. We remain cautious and defensive in our investment strategy. Our allocation retains a meaningful allocation to risk bearing investments that offer the potential for returns over the long-term, but there is a significantly greater focus on capital preservation than there has been historically.

Read between the lines. That means we're not going to be distributing cash.

They note on page 12 that we had an overall loss ratio last year in '08 that exceeded 208 percent; and on and on and on. I thought it supported very well our concerns.

Q. How long has the company been a member of NEIL?

A. I do not know.

Q. To your knowledge, has it ever been the case that distributions have not been made?

A. I do not know.

Q. Is there any witness that you can think of that would know?

A. Art Stall, perhaps. I'm not certain.

Q. Who provided you the information making the recommendation to increase the revenue requirement associated with potential losses in NEIL distributions?

A. I don't know the -- well, I received the data from Bob Barrett, who is a witness in the case.

Q. Would Mr. Barrett have knowledge of the letter that you are referring to regarding a potential decline of future NEIL distributions?

A. Bob provided me the letter.

Q. Could we get that letter somehow?

A. Yes. That's not a problem.

MS. GRIFFITHS: What's the best way to do that, John?

MR. BUTLER: I think probably just we can make it a late-filed exhibit to the deposition.

MS. GRIFFITHS: Let's do that. I have lost track of what number we're on.

MR. BUTLER: I think it is 8, isn't it?

MS. GRIFFITHS: I'm just going to call it NEIL, N-E-I-L, letter; is that all right?

MR. BUTLER: I'm just going to put a date on it. December 12, 2008 NEIL letter.

(Late-Filed Deposition Exhibit 8 to be marked for identification.)

MS. GRIFFITHS: Let me go over my notes

real quick and I might be coming to a close.
Just a moment.
(Brief pause.)
BY MR. GRIFFITHS:
Q. And this is one additional question that I have that I think you're going to refer me to another witness regarding the -- let's see. This is regarding the potential funds associated with stimulus bill money. Who is the witness that can describe the grants that the company has -- who can describe how each project associated with those grants is incremental to what is already in the revenue requirements?
A. Witness Bennett and witness Santos both have testimony regarding those assessments.
MS. GRIFFITHS: Those are all the questions I have. Thank you, Ms. Ousdahl.
CROSS EXAMINATION
BY MR. MOYLE:
Q. This is Jon Moyle. I represent FIPUG. I have a few questions. Would you prefer to take a break or let's keep going?
A. How long do you think? Is that a fair question?
MR. BUTLER: Yes, it is.

THE WITNESS: And I'm not upset about going a long time, but if it is going to be more than 20 or 30 minutes, I probably ought to take a quick break.

MR. MOYLE: I don't want to say 20 or 30 and have it go 40 or 50. Why don't we take five minutes and then we'll join back up?

THE WITNESS: Thank you.

(Brief recess.)

MR. MOYLE: Let's go back on the record.

BY MR. MOYLE:

Q. I'm Jon Moyle, and I represent FIPUG. I have a few questions. I don't believe they will be as lengthy as other parties who have asked you questions.

In reviewing your testimony, I noted that you are licensed in the State of Texas to practice accounting; is that right?

A. That's correct.

Q. Are you licensed in the State of Florida?

A. No, I'm not.

Q. Why did you get licensed in the State of Texas?

A. Because I've spent the last 25 years of my career in Texas. I'm relatively new to Florida.

Q. And you spent those 25 years with Reliant Energy, or I'm sorry, Houston Lighting & Power?

A. Houston Lighting & Power many decades ago. Reliant Energy just prior to my coming to work at FPL.

Q. So the 25 years you were in Texas, you have been employed in the energy sector; is that correct?

A. Yes. I had a brief stint at a small cable roll-up called Cable Comm, but it was a fairly short couple of years' employment there.

Q. Is what you do for the company, do you consider it to be the practice of accountancy?

A. No. Not under the licensing board standards either in Florida or Texas, no. I work as a corporate accountant. I maintain my license because it is an important accreditation as an accountant.

Q. Well, just distinguish for me, if you would, what you do for the company and how that does not translate into the practice of accountancy in your view?

A. Well, the CPA license provides an opportunity for individuals to practice public accountancy, meaning largely to provide assurance services to other entities, so to perform audits, generally speaking, of other entity's financial statements.

I am responsible for preparing the financial statements of FPL Company. I have a corporate accounting responsibility. I'm likewise responsible for the controls associated with the operations, the financial controls associated with the operations of FPL in my responsibilities as controller.

Q. Would you just briefly distinguish for me your responsibilities as compared to the responsibilities of Mr. Barrett as compared to the responsibilities of Mr. Pimentel?

A. Yes. I'm the controller. As I said, I prepare the financial statements for the entity. I'm responsible for the maintenance of internal controls. I'm responsible for management reporting.

Bob Barrett is the vice president of finance. He performs a forecast and budget and overall financial analysis role for FPL Utility.

And Armando Pimentel of course is the

CFO of FPL Group. He's the chief financial officer. He's responsible for all financial aspects.

So Bob and I do report up to Armando Pimentel indirectly. I'm sorry. No, Bob Barrett does not. Bob Barrett reports to Armando Olivera, the president of FPL. I report through Mike Davis, the CAO of the company, to Armando Pimentel.

Q. With respect to financial information of the company, other than Mr. Pimentel, do you know who else signs the financials under Sarbanes-Oxley?

A. Our chairman, Lew Hay, Armando Pimentel. Mike Davis signs the financial affidavits. He's the chief accounting officer.

Q. And you are involved in preparing those, I guess, right?

A. I'm involved in the preparation of FPL's financial statements.

Q. I have a number of topical areas that I want to just cover with you. And I think it might be easiest just to kind of refer you to your direct testimony and we can have a few conversations about them. Page 4.

A. You are on my direct?

Q. Yes, ma'am.

A. Okay.

Q. In line 7 you talk about a 3.1 percent ROE if there was no relief in 2010 or 2011 as requested, correct?

A. That's correct.

Q. And in other places I know you said, well, you didn't include the GBRA adjustment. With respect to the 3.1 percent, did you assume that GBRA would be continued or discontinued, the 3.1 percent on line 7, page 4?

A. The 3.1 percent excludes both the costs associated with West County 3 and any revenue associated with West County 3.

Q. So it doesn't impact it one way or the other?

A. It does not.

Q. And then you also reference the GBRA, I think you make that point about the mechanism avoiding the expenditures in the resources associated with back-to-back base proceedings. Would it be fair to call the GBRA a mini rate case?

A. No, I wouldn't characterize it as a mini rate case at all. In fact, if it were a mini rate case, then there would be no need to exclude the effects of West County 3 from the 2011 subsequent year adjustment. And I think my testimony discusses that.

The GBRA is an interim base rate increase that exists from the time a plant goes into service until the time base rates are set.

And it is specifically designed so that there does not have to be a vetting of those interim base rate increases as they're based on need determination filings that have been made previously.

Q. Historically, plants coming on line before this settlement agreement, they would be recovered, would they not, in a rate case?

A. Prior to implementation of the GBRA for Turkey Point 5 in 2007, and I don't have a long history here with FPL, but I would have to assume that plants that went on line prior to that were included. Well, we haven't had a base rate increase in the history of this company for 20-some years, so they had to be recovered through other either growth in customer sales and revenue or reductions in cost, or both probably, a lot of both.

Q. Now, as a matter of regulatory policy, do you have a view on the GBRA? Is it a good idea, a bad idea, are you indifferent to it?

A. Well, I'm advocating it quite strongly in my direct testimony, I believe. I feel it has been effective as we've applied it in 2007. We're getting ready to apply it. And, you know, West County 1 is a great example. Had we included West County 1 as a part of our stipulation or any other rate increase prior, we would have assumed that increase went into rates on June 1st. Unfortunately, it has taken a little longer to get the plant in service so customers are not being charged until that plant becomes commercial. At that point the GBRA rate associated with West County 1 will be implemented.

Q. And to the extent that you are advocating for it, you would agree that you would advocate for it as a matter of regulatory policy that would extend beyond FPL, wouldn't you?

A. The company is not opining either way on that. We believe it has worked well for us. We've applied our fact circumstances historically to this. We've implemented it with success. We're going to implement it in '09 twice with success, and we would like the Commission to recognize formally that our company should continue to implement GBRA.

Q. How long -- what would its effective life be?

A. I think it would depend on how many units we are going to need to construct. The implementation of GBRA depends on placing into base rates on this interim basis costs associated with a generating plant.

So we know we're going to have West County 3, and we know we're going to have two modernizations, well, we believe we will, for Riviera and Canaveral that will occur in the 2012/ 2013 timeframe. So we certainly expect to be able to avail ourselves of GBRA for those three from increases.

Q. In the settlement agreement, GBRA was available to you for a limited period of time, correct?

A. It was tied to the period of the stipulation, that's correct.

Q. And in your testimony you are not suggesting that there be an end date to the GBRA, correct?

A. No. We would like the Commission to formalize the methodology.

Q. And you are aware that Commissions typically, when they formalize policy, they do so in rule, aren't you?

A. I know that is one approach, certainly.
Q. And with respect to the particulars about how a GBRA is enacted, implemented, I presume you've had questions about those when you first put it in place; is that correct?
MR. BUTLER: Questions from whom, Jon?
MR. MOYLE: If she had questions about how to go about seeking the recovery.
BY MR. MOYLE:
Q. Do you know, were there any questions with respect to implementation of GBRA ever raised by FP&L?
A. I don't understand that question. You are saying did we question the use of GBRA ourselves?
Q. How to go about applying it. Did you have any questions about how it would be applied?
A. Well, it has been applied. So if we had questions -- I do not know. I do not know.
Q. You were not involved in that aspect of it?
A. No, I have not been.
Q. I'm not clear on FPL's New England Division, and maybe I can just ask you to help me understand it. I'm reading it to suggest that FPL,

the regulated Florida entity, has a division that is in New England; is that correct?

A. It has a division that holds assets that operate in New England, that is correct.

Q. And why is that?

A. When our affiliate NextEra purchased the Seabrook Nuclear Station back in, I think we said earlier today 2004, the substation transmission assets that were associated with that nuclear generating plant were a part of the acquisition.

And NextEra is not a regulated utility and, therefore, could not hold and operate those assets and make sales, make tariff sales of the service around those assets into the New England Power Pool, which is what that substation did and needs to do, that substation operation.

So the assets were transferred in 2004 to FPL. It is accounted for as a division of FPL and as a wholesale operating division of FPL and removed for purposes of retail ratemaking.

Q. Are there plans to continue this relationship?

A. No. I think I had also testified in my direct testimony and today that the company has committed to moving FPL-NED division out from FPL via some sort of sale to another entity outside of the FPL consolidated legal entity structure, and work is being undergone over these last few months to try to transact that change.

Q. Why is that being done?

A. Well, as I understand it, again, I was not a firsthand participant, but the company had gone to the Commission in the fall with a financing request, as it is required to annually, and a part of that financing request included $30 million of capital that needed to be acquired for FPL-NED, and the Commission raised a number of concerns.

Q. Are you seeking any recovery related to any extent of FPL New England Division in this rate case that you are aware of?

A. I'm aware of precisely what we're seeking recovery of, and it does not include -- it would be improper and inappropriate in terms of the Commission's rules to recover any cost of wholesale NED from retail Florida ratepayers. So, no, we are not, and never have.

Q. You were asked some questions previously, I think it was about your pension. You mentioned a 7.75 rate. Are you involved with the administration of the pension?

A. I am not.

Q. Where does the 7.75 number come from, if you know?

A. Well, each year the company has to develop as a part of its measurement of our pension asset and obligation various assumptions. And one of them is the assumption around the long-term return on assets invested in the pension trust for purposes of providing pension benefits to the beneficiaries of the FPL Group pension plan.

And so a process is undertaken in conjunction with the actuarial work to establish those assumptions, those relevant assumptions in order to come up with the disclosures and the proper amounts to record in our financial statements for the following year.

Q. Does the rate change over time, the pension, the target, if you will?

A. Our assumption that we're speaking about, which is the return on, long-term return on assets, has not changed for quite some time. I don't have a history in front of me, but it has been in place for at least five years, if not longer.

I mean, the whole idea is it is a long-term return assumption. A pension plan is going to pay out over the long-term, not the short-term, so it is going to need to weather highs and lows associated with the investment of the assets, changes in the obligation, et cetera. So it is established in order to provide -- and FAS 87, obviously the accounting guidance for this, allows for volatility to be normalized and for the pension obligation to be reflected over time in the deferrals, gains and losses.

Q. Are there accounting rules or regulations that dictate or provide guidance as to the type of investments that should be sought out by pension funds?

A. No, the accounting guidance does not dictate how your trust should be invested.

Q. So that's a management decision or the trustees of the pension plan?

A. The company is charged with the fiduciary responsibility of managing that plan.

Q. And who within the company manages that plan?

A. I do not know the exact individual. There is a formal fiduciary board, and I just do not know who sits on it.

Q. Can you characterize the investment risk that the pension is facing?

A. No, not specifically. I can tell you that the reason that FPL has such a good track record in terms of returns associated with the trust is we have invested in a very balanced way to provide for what in most years can be a reasonable return.

Q. Is part of the pension fund assets FPL's stock, either FPL Group or FPL the regulated utility?

A. I do not know the assets that we've invested in specifically.

Q. Which of your witnesses might know that? Pimentel?

A. Witness Pimentel would be the most likely.

Q. Are you familiar with need determination proceedings?

A. No. Only super- -- well, I had to participate in the need determination for uprate in nuclear as an accounting witness, gosh, in the spring of '08, because we had the new statute and the new rule with regard to projected recovery through clause. So I did participate minimally. I am not an expert on need determination.

Q. Today need determinations, I guess the one that you participated in, it didn't involve, did it, consumer groups coming in and contesting the projected cost of the facility?

A. We had significant representation from individuals. I shouldn't say significant. We had an individual participate fully in that need determination, so, and OPC, of course there was -- it was a contested proceeding.

Q. And were the individuals participating challenging FP&L's costs?

A. I can't recall every bit of cross, but certainly the notion of nuclear is not embraced by all, so to the extent it can be challenged, it is challenged across many facets.

Q. Okay. I think I understand.

On page 29 you talk about capitalized nuclear fuel. I believe this was used in the context of the discussion about the lease company. Can you explain just briefly how nuclear fuel is treated from an accounting perspective? I presume based on that it is capitalized; is that right?

MR. BUTLER: I'm sorry. Are you talking about the way it has been or as we propose to adjust it that it would be?

MR. MOYLE: Both.

THE WITNESS: Okay. Currently for FPL Utility we have entered into a lease with FPL Fuels, Inc., our subsidiary. So strictly looking at the utility side we record those nuclear fuel costs and recover those through the fuel clause as an operating lease. So the operating lease cost that we pay to FPL Fuels and thus recover from our customers through clause, includes an amortization of the fuel cost itself as it is burned or used in the reactor, and it includes the interest costs, we talked about that earlier, the debt issued by FLP Fuels, commercial paper, and it includes some administrative costs passed along from FPL Fuels to us as purchasers of the fuel. So it is an expense. It is a fuel expense for us today.

Would you like me to go on to explain how that would be accounted for post?

BY MR. MOYLE:

Q. Yes.

A. After the dissolution of FPL Fuels where we would no longer be leasing the fuel from the subsidiary, we will be purchasing the fuel directly ourselves, FPL Utility, and capitalizing that fuel in accordance with the USOA on our balance sheet in the 120 series account.

And then we would --

Q. What is the USOA?

A. -- amortize the fuel expense as it is used in the reactor, the portion that will be charged to customers as fuel expense in their fuel portion, or the fuel clause portion of the bill.

So we will recover through base rate a return on that investment that we will make as the holder of the fuel investment to capitalize the fuel, and we'll recover the cost of the amortization of that fuel as it is used through the fuel clause as expense.

Q. You referenced USOA. What is that?

A. Uniform System of Account, that directs for regulated entities how to account for everything.

Q. There was a long discussion you had, and I don't want to repeat it, with another attorney about the off-balance sheet treatment, and that was the thinking behind originally setting up FPL Fuels, as I understand it, that it could be off-balance sheet; is that right?

A. Yes. Prior to the change in accounting standards, FPL Fuels could issue commercial paper at obviously low rates relative to our overall cost of capital for procurement of the fuel and none of those costs would show up on FPL's balance sheet for purposes of establishing its ratings.

Q. And the reason FP&L Fuels could obtain that good deal was because they had the backing, if you will, of FP&L Group or FP&L the regulated utility?

A. Right. Their issuance of commercial paper required support, and we guaranteed the debt that they issued, that's correct.

Q. And I think in response to an earlier question you said that essentially that the risk was placed on the regulated utility in this arrangement; is that correct?

A. Well, they could not support the debt issuance on their own creditworthiness, "their" being FPL Fuels. We had to guarantee -- to make the transaction work as intended, which was to lower costs to customers, we had to guarantee the commercial paper. Our credit support was provided.

Q. Elsewhere in your testimony I think you reference there's over 500 affiliated business entities within FPL Group; is that correct?

A. Yes. There are a number of legal entities in various tiers under FPL Group.

Q. And are there currently similar off-balance sheet arrangements such as that represented by the FP&L Fuels arrangement?

A. Off-balance sheet arrangements in general provide no benefit because if they are structured like FPL Fuels such that the variable interest entity, which is what FPL Fuels is, cannot support itself, and I'm, boy am I simplifying this --

Q. That's fine with me --

A. -- the off-balance sheet --

Q. So please proceed.

THE COURT REPORTER: I'm sorry. Mr. Moyle interrupted your answer. You said, "...boy, am I simplifying this," and then we didn't get the rest of it.

THE WITNESS: I said, I think, I said the accounting standards require that the off-balance sheet structure, it just becomes transparent, you look right through it, and you have to consolidate the effects of the entity.

So, no, I can't answer your question specifically about whether or not NextEra has off-balance sheet structures. I can tell you they have to follow the same accounting guidance that arose as a result of 746.

BY MR. MOYLE:

Q. And I guess the proposed change, it will have additional costs on consumers, will it not?

A. Yes. The costs that result from having to support that asset on the balance sheet of the utility needs to be reflected in the base rates of the company.

Q. Was there ever any credit provided to consumers when this risk was assumed by Florida Power & Light, the regulated utility, to facilitate the FPL Fuels arrangement?

A. Customers benefited from this low cost financing technique, and they have been benefitting from it through lower costs for the acquisition of fuel since 1979. So the customers reaped every benefit that could be derived from that transaction, but it had an end date, unfortunately.

Q. Let me just direct your attention to page 30 of your direct testimony.

A. Okay.

Q. And you state that you don't believe that the clause over-recoveries are handled in an equitable manner. Could you elaborate on that?

A. Yes. As I understand it, the Florida Commission includes any projected over-recoveries in rate base, which would be liability, and excludes any projected under-recoveries, which would be assets. There is no basis for that sort of a treatment. It is asymmetric. Any over- and under-recoveries are compensated either to the company or the ratepayer, the customer, through the commercial paper rate as applied by this Commission on clause over rate.

So the treatment needs to be, both items need to be removed. They should have no weight and no bearing on rate base because they have their own financial treatment outside of rate base or clause.

Q. Do you know why the PSC has not removed the liability from working capital previously? Do you know the rationale or reason behind that?

A. I only know anecdotally. I have not tried to research that independently myself in orders.

Q. And what do you know anecdotally?

A. I have been told that at one point that, and I don't know if this is intervenor or staff or Commission, somebody opined that forcing the inclusion of over-recoveries provided some incentives to the company to properly forecast fuel costs.

I can't say it without giggling because obviously we all forecast fuel costs to the best of our ability. And I think in the record, in every news article I have seen over the last eight months during the pendency of this case, every intervenor party has opined how our fuel costs can't be accurately forecast, so. That's the only reason I have been given.

Q. I hear you. And with respect -- you would acknowledge, would you not, that to the extent you have to book it as a liability and count it into your working capital, that that's a negative situation from the company perspective, correct?

A. Yes. In 2010 it is $100 million. So it is reducing our return by over $10 million.

Q. All right. And with the notion about the responsibility to accurately predict fuel forecasts, would that accounting treatment provide maybe an additional incentive to make sure the fuel forecasts are as close as they can be?

A. It provides no incentive. The company has done its level best to manage the cost of fuel to try to forecast accurately; and, likewise, we're being incredibly forthcoming to posit a hundred million dollar over-recovery balance in the test year. The numbers will be what they will be.

Q. Let me ask you a couple of questions about the clause "bad debt expense." What bad debt are you referring to when you provide your testimony with respect to the clause "bad debt expense" that starts on page 31?

A. I am referring to the amount of revenue that we are unable to collect because customers are unable or will not pay their bills. So this represents the amount of revenue expense that we cannot collect.

Q. This is residential, commercial, this applies to everyone; is that right?

A. Yes, governmental, anyone.

Q. And it is your suggestion that currently the bad debt expense is recovered through base rates; is that right?

A. They are.

Q. And so you would propose to break it out to another level and try to flow through bad debt associated with clauses to be treated one way and bad debt to be associated with base rates to be treated another way and recovered a different way; is that right?

A. Right. It wouldn't change anything about how we estimate or record our bad debt expense. It would simply bocket (phonetics) the two pieces with the revenue that drives that loss.

So we would record on the base rate and collect through our base rate the estimates for 2010 and 2011 associated with the base rate revenues only. And then we would, if the Commission approves that treatment, would be requesting in our clause filings for recovery of the estimates for losses on the same rates for those clause-related revenue.

Q. And I'm not that familiar with the clauses, so I'll preface my comment. I understand what they do and, but I was a little surprised to see that you are seeking to recover certain payroll loading, security payroll loadings through clauses. That's not currently done, is it?

A. Right. I think you are now referring to some other company adjustments that I support.

Q. That's right. Page 34.

A. And there is a long list of adjustments there that are cleanup in nature. What has happened to our company is that as clauses were developed and as other types of costs were included in clause recovery, we had very few, if -- well, almost no base rate increases for many years, base rate changes for many years, so we were unable to synchronize cost changes in clause and base.

And what happened is as clauses were established, clause-type costs ended up being trapped in base rates. What we're trying to do in each and every one of the base rate filings I think we've made for some time, these go way back, we're trying to sync up the recoveries in the place where all of the other recoveries are taking place. That's my general answer.

To be specific, the payroll loadings I'm talking about, both for incremental security that are recovered through capacity and for ECCR, the environmental that is recovered through the ECCR clause, the payroll dollars associated with those clauses are in clause. We just got some related taxes hung up in base and they need to be recovered -- oh, it is conservation, I'm sorry, I misspoke. I was listening to somebody whisper. ECCR is conservation, not environmental. Thank you.

Q. Okay. And just so I'm clear, though, it surprised me a little bit that securities -- security costs, is that what that is referring to?

A. Yeah. I'm not asking for any new clause treatment. I know it probably sounds unusual to someone who has not maybe been participating in ratemaking in Florida. But we recover the incremental costs associated with certain nuclear security activities through the capacity clause. That has been ordained many years prior.

Q. And is it only related to nuclear security or does it deal with security to other generation facilities?

A. It relates to all. I understand it was developed at a point in time where there was some real focus on the nuclear side, but it relates to all incremental.

Q. And incremental as measured from what? From a date?

A. From what was in base rates originally. I'm getting outside the specifics I know. I shouldn't answer. Incrementally as defined by some date.

So I'm not requesting anything new go on in the clause.

Q. And the reason I'm asking the question is because some people have argued that the clauses have less risk for the company and that the company has made efforts to put more and more costs through the clauses and less through base rates. And I just want to explore for a minute the notion of security.

You know, so to the extent that -- where are you, in Juno?

A. I am physically sitting in Juno, yes.

Q. That is where your office is located and you go to work every day or nearly every day in Juno?

A. No. I have a significant part of my staff in Miami also.

Q. Okay. Well, let's just say in Juno, to the extent that additional security personnel were hired for the headquarters, those additional costs would be recovered through the capacity clause; is that correct?

A. No. This is for generating plant security only.

Q. Okay.

A. It arose at the time of 911.

Q. The same question, but with respect to the Martin generating facility, if additional security were handled at Martin, it would come through the clause; is that right?

A. That's the way I understand it, yes.

Q. Thank you for explaining that to me.

I think on page 37 I noted that there's over 500 legal entities. Do you know is each generating unit housed in a separate legal entity?

MR. BUTLER: Are you referring to FPL and the facility generating units?

MR. MOYLE: Yes.

THE WITNESS: No. All of FPL's assets are a part of the legal entity of FPL, Inc. The 500 entities that I'm referring to in my testimony, the vast majority of those are within the organizational structure of NextEra, our other large operating affiliate.

BY MR. MOYLE:

Q. Page 42, you were asked about self-assessments of affiliate transactions.

A. I'm sorry. Self-assessments?

Q. Line 5.

A. I see that discussion. I didn't recall being asked about it, but okay.

Q. I'll quote the question. "Does FPL conduct self-assessments of its affiliate transactions to ensure that they are properly documented and comply with the Commission's rule?"

A. Thank you.

MR. BUTLER: You mean the eloquent attorney who is posing the questions in the direct testimony, Mr. Moyle.

MR. MOYLE: Trying to help.

BY MR. MOYLE:

Q. How often do you do these self-assessments?

A. Periodically. There is not a set schedule. What the internal audit group does annually is develop a plan for the activities that they believe, and the business unit, the business unit has the accounting and finance folks, believe are important to review. And this is the most recent. It happened to be, you know, just in '08, and it seemed pertinent to provide that most recent information.

Q. Do you know when the last one was done before the one in '08?

A. '05 I want to say. It was maybe three years before that. It is a pretty significant activity, and it is not something that we would not want to look at periodically. It is just not scheduled for a certain number of years or months.

Q. What were the improvement opportunities that were noted?

A. In the '08?

Q. Yes, ma'am.

A. Well, we called out I think in rebuttal in response to questioning by intervenors that they noted that in some cases control reviews were taking place of direct billings, but we weren't documenting some of those reviews. So improved documentation.

I would characterize the findings of the '08 audit to be very modest and to really be a review that made us feel like in large part these controls were operating reasonably and the results were reasonable.

Q. Have you produced the internal audit in this case?

A. We have. Okay. Yes, we have.

Q. Do you recollect -- I mean, the audit would be the best evidence of it and we can dig it up, but do you recollect was there any finding of costs being improperly booked to FP&L, the regulated utility, that should have been booked to affiliates?

A. I do not recall that there was an outright finding -- I'm kind of flipping through this thing. It is a long report. I certainly recall that there were some recommendations made on certain of the EMT service fee. I recall that we looked at EMT service fee in particular because they were not, they had kind of done a little bit of a sales kind of time study approach, and we focused in on that a little bit and recommended that they do a little more rigorous forecast.

Q. And just so I can find it, what Bates number is the first page of the internal audit that you are referring to?

A. I don't have the Bates stamped version. We can get it.

MR. MOYLE: John, can you help me with that? I mean, not now, but follow up?

MR. BUTLER: Yes. Why don't I just -- I can get you the Bates number, and I will e-mail it to you.

MR. MOYLE: That's fine.

MR. BUTLER: I don't have it sitting right here.

MR. MOYLE: Yeah, and that's fine. Just we'll follow up on that.

BY MR. MOYLE:

Q. A couple of more questions about that.

Now, have you ever had an external audit done as it related to reviewing affiliate transactions to ensure that they were proper and complied with the Commission's rules?

A. We have not engaged any external auditor to come in and review our affiliate transactions, billings, or methodology. However, it is a part of our, these billings are a part of our transactions and they represent, you know, over a hundred million dollars of costs that are being billed to our affiliates, and so they are reviewed as a part of any ongoing to avoid annual audit.

Q. So the Deloitte people come in it is your testimony and review this internal audit and what has been done to check on affiliate transactions; is that correct?

A. No, that's not my testimony. You had asked me if we had ever engaged, I believe, an external party to look at our transactions and our methodology, and I said no; however, as a result of the annual audit, because these transactions comprise a significant amount of the dollars flowing out of FPL, and you will recall that FPL is a filer for SEC reporting purposes, they are reviewed, as a part of an overall audit, they are part of the universe of transactions that are reviewed.

Q. Do you know if they're specifically reviewed to the same degree that the transactions are reviewed when they're done internally through the internal audit department?

A. Well, let me characterize it for you this way. We have a SOX procedure around our affiliate billings. There are probably a few arms to that SOX procedure because there are SOX procedures around what, the activities that we conduct here in corporate for affiliate management fee, and there are other fee-related SOX procedures.

Every employee is subject to the ethics policy which talks about proper reporting. And we have SOX procedures around the payroll reporting that goes on in every biweekly period. So there is significant review from a Sarbanes-Oxley perspective, from an SEC financial reporting perspective, and from an internal audit perspective around our transactions that we engage in for affiliate billing.

Q. And when you say SOX, is that standard operating controls?

A. Sarbanes-Oxley.

Q. Sarbanes-Oxley. Okay. Do you think it might be a good idea at some point to have an external audit performed of affiliate transactions to ensure that they comply with the Commission's rules?

A. No. I am responsible for ensuring that our billing methodology complies with the Commission rules, and I feel very satisfied that with the overlapping sets of controls that exist today, that the results are reasonable and in compliance.

Q. Let's just jump around a little bit. I'm getting toward the end. Page 25 of your direct.

A. Okay.

Q. There is a section in there of the FGPP cost recovery, and that's a coal facility that did not move forward, correct?

A. That's correct.

Q. What was the 34 million in capital expenditures?

A. We had engaged third parties for some initial design. Milestone payments had been made. We had land options I believe that had been purchased. There were a number of initials costs that had been incurred. All reviewed at some great detail in the context of the Commission's review of this request to recover.

Oh, here we go. Major equipment contract equipment costs were about half of that amount.

Q. What was the other half?

A. Broken out by land and right-of-way options, site certification and permitting, preliminary engineering, we just talked about that, and some engineering contract termination.

Q. How much was the site certification?

A. 7.6 million.

Q. And that included a lot of legal work, did it not?

A. I'm guessing, but I would say that was probably the case.

Q. And the Commission allowed for this, the recovery of these costs, including the site certification cost, over a five-year period; is that right?

A. They did.

Q. You would agree, would you not, that some of the costs in this case are similar to site certification costs in terms of lawyers and expense associated with legal --

A. No, I would --

Q. -- advice?

A. No. I think any good accountant would account for the legal costs associated with this effort as an administrative cost. We are certainly, because we're a regulated entity, we're allowed some opportunity to recover those costs.

Q. Is that a material distinction?

A. Well, yes, to an accountant because the kinds of legal expenses that have been recorded to Glades or West County or any other plant were those that were directly benefitting that long-term asset.

Q. How about with respect to the costs benefitting that asset, the legal costs benefitting that asset and specifically as to the amortization, that was a five-year amortization period?

A. They have granted recovery over five years, that's correct.

Q. And so back to the question about similarities in terms of legal services. Both of these matters involve legal services, correct, your rate case and the Glades coal matter, the site certification?

A. I apologize. There is someone vacuuming in the hallway and I -- I apologize. Could you repeat that for me, please?

Q. Sure. I just asked you that both this rate case and the site certification aspects of the Glades Power part cost recovery matter involved legal representation of the company, correct?

A. I agreed with you that there are legal costs in support of our rate filing and there are legal costs incurred in the early development stages of Glades. I do not agree that they would be accounted for or recovered similarly.

Q. Is there any accounting rule or regulation or practice that would suggest that legal costs associated with a generating facility be amortized over five years and those with a rate proceeding be amortized over three years?

A. No. There is a tremendous difference in the size of the costs being recovered for Glades, 34 million, and the total amount of the requested rate case expenses of a little over 3 million. So our legal costs are a fraction of each, and the fraction of rate case is a whole lot less than the fraction of Glades.

Q. How would you characterize $3 million in the grand scheme of the company's financial matters?

A. Well, we have, what, over $4 billion of base rate revenue requirement, I'm guessing. So it is very small. The company does its level best to try to manage this tremendously difficult effort at minimal cost.

Q. You were asked a question about AFUDC, and I think you said that that amount is set annually; is that correct?

A. We calculate AFUDC each year, that's correct.

Q. And is that based on a rule or a statute or a practice?

A. It is based on Commission rule.

Q. Do you know if all the utilities calculate it on an annual basis?

A. In Florida?

Q. Yes.

A. Well, to comply with the rule I believe that's a requirement. So, yes, I would believe that would be the case.

Q. Do you know, is there a statute that addresses -- do you know if there is a statute?

A. It is in a rule.

MR. MOYLE: Just give me one minute.

(Brief pause.)

MR. MOYLE: I don't have any further questions. Thank you. Thank you for your time.

THE WITNESS: Thank you.

MR. BUTLER: I believe there is no one left; is that right? I hope that is true as well. Does anybody else have questions?

MR. BRASWELL: System Council has no questions.

MR. BUTLER: I have a very brief redirect. Did somebody say they have questions or have no questions?

MR. BRASWELL: This is Marcus Braswell. No questions.

REDIRECT EXAMINATION

BY MR. BUTLER:

Q. Ms. Ousdahl, you were asked I believe back by Ms. Bennett about FPL's proposal to wind up the FPL Fuels, Inc., top leasing nuclear fuel and instead to have the nuclear fuel capitalized as part of FPL's rate base and base rates.

You were asked about precedent for that, regulatory precedent for that treatment. Has FPL responded to any interrogatories on that subject of regulatory precedent?

A. Yes. We provided response to staff's 11th, 192, that referenced both our prior treatment where nuclear fuel was included in rate base and the treatment approved for Florida Progress.

THE COURT REPORTER: I'm sorry. This is the Court Reporter. Could you repeat that, please?

THE WITNESS: The company provided a response to staff 11th, number 192, which referenced both the company's prior treatment to include nuclear fuel in rate base and the treatment approved for Florida Progress in Docket 910890.

BY MR. BUTLER:

Q. Thank you, Ms. Ousdahl. You were speaking with Mr. Moyle just a few minutes ago about the internal audit that was performed on FPL's affiliate transactions. And I believe that there was reference to some recommendations made in the audit. Do you know whether those recommendations have been acted upon?

A. Yes, they have. We take very seriously the recommendations that are delivered to us as management on any internal audit and they have been implemented.

MR. BUTLER: I'm pausing because I'm looking. I think that may be it, but I needed to look through my notes here.

My witness is threatening me if I don't wrap it up, so there's probably not going to be anything else.

No, there isn't. Thank you. That's all the questions I have, Ms. Ousdahl.

THE WITNESS: Thank you.

MR. BUTLER: We do not waive reading and signing.

MS. BRUBAKER: Okay.

(Deposition concluded at 6:45 p.m.)

CERTIFICATE OF REPORTER

STATE OF FLORIDA:
COUNTY OF LEON:

I, ANITA M. PEKEROL, do hereby certify that the foregoing proceedings were taken before me at the time and place therein designated; that my shorthand notes were thereafter translated under my supervision; and the foregoing pages numbered 1 through 232 are a true and correct record of the aforesaid proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor relative or employee of such attorney or counsel, or financially interested in the foregoing action.

DATED THIS 20th day of August, 2009.

ANITA M. PEKEROL, CP, CM, RPR, CRR
2894-A Remington Green Lane
Tallahassee, Florida 32308
850-878-2221

CERTIFICATE OF ADMINISTERING OATH

STATE OF FLORIDA:
COUNTY OF LEON:

I, ANITA M. PEKEROL, Registered Professional Reporter and Notary Public in and for the State of Florida at Large:

DO HEREBY CERTIFY that on the date and place indicated on the title page of this transcript, an oath was duly administered by Jacqueline Bussey to the designated witness before testimony was taken.

DATED THIS 20th day of August, 2009.

ANITA M. PEKEROL, CP, CM, RPR, CRR
2894-A Remington Green Lane
Tallahassee, Florida 32308
850-878-2221

My Commission Expires: February 20, 2011.

ERRATA SHEET

Under penalties of perjury, I declare that I have read the transcript of my deposition, pages 1 through 234, and that the facts stated in it are true, including any corrections and/or amendments listed below.

DATE: ______________ ______________________ (KIM OUSDAHL)

(In Re: Petition of Increase in Rates by FP&L Company)

Page/Line	Correction or Amendment	Reason for Change

Deposition: August 19, 2009 Reporter: Anita M. Pekerol

ACCURATE STENOTYPE REPORTERS, INC.
2894-A Remington Green Lane
Tallahassee, Florida 32308
(850) 878-2221

August 20, 2009

JOHN T. BUTLER, ESQUIRE
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

RE: Petition For Increase In Rates by FP&L Company.

Dear Mr. Butler:

Enclosed please find your copy of the deposition of KIM OUSDAHL taken on August 19, 2009, in the above-styled case.

As the witness did not waive reading and signing, I am also attaching the errata sheet as the last page of the transcript and request that your office make the necessary arrangements with the witness to read your copy of the deposition, noting any corrections on the errata sheet, then dating and signing the errata sheet.

Please forward the original signed and dated errata sheet to Ms. Bennett and a copy to all counsel of record. If the errata sheet or a request for an extension is not received within 30 days from receipt of this letter or before the hearing (whichever is sooner) counsel may assume that the signature has been waived.

Thank you for your cooperation in this matter.

Sincerely yours,

ANITA M. PEKEROL, CP, CM, RPR, CRR

READ AND SIGN LETTER

ERRATA SHEET

Under penalties of perjury, I have read the foregoing transcript of my deposition, pages 1 through 236, and hereby subscribe to same, including any corrections and/or amendments listed below.

8/21/2009 — DATE

Kim Ousdahl

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
16/18	incorrect "the" replace with "investment	Error
18/18	incorrect "to" replace with "in"	Error
23/18	incorrect "split" replace with "end"	Error
27/21	incorrect "arrive" replace with "arise"	Error
39/24	add "to" before "base"	Omission
44/9	add "the" before "stimulus"	Omission
53/12	incorrect "plants" replace with "plant"	Error
54/8	incorrect "accounting" replace with "of capital"	Error
57/13	add "commercial" before "paper"	Omission
57/13	incorrect "of" replace with "for"	Error
62/4	incorrect "long-live" replace with "long-lived"	Error
65/22	incorrect "rate" replace with "rates"	Error
66/9	incorrect "weight of" replace with "weighted"	Error
67/10	add "and" before "prior"	Omission
81/2	incorrect "they" replace with "that"	Error
82/8	incorrect "to" replace with "from"	Error

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
90/6	incorrect "site" replace with "sites"	Error
101/15	incorrect "sort" replace with "short"	Error
121/16	incorrect "their" replace with "there"	Error
111/5	incorrect "non-tier" replace with "non-tariff"	Error
111/15	add "for" before "corporate"	Error
111/15	incorrect "cost" replace with "shared"	Error
137/11	incorrect "deficiencies" replace with "efficiencies"	Error
143/16	incorrect "plants" replace with "plant"	Error
157/6	incorrect "position" replace with "positions"	Error
158/18	incorrect "position" replace with "positions"	Error
161/3	incorrect "or" replace with "and"	Error
165/9	incorrect "evaluation" replace with "valuation"	Error
167/16	add "we" before "include"	Error
178/12	incorrect "books" replace with "book"	Error
193/13	incorrect "cable com" replace with "KBLCOM"	Error
204/9	add "of" before ~~with~~ "gains"	Error
211/5	incorrect "746" replace with "FIN 46"	Error
212/13	delete "over rate"	Error
212/17	incorrect "or" replace with "through"	Error
214/15	delete ""'expense'""	Error
215/7	incorrect "bocket" replace with "bucket"	Error
221/9	incorrect "of" replace with "for"	Error

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
223/12	delete "to avoid"	Error
225/22	incorrect "initials" replace with "initial"	Error
230/16	incorrect "top" replace with "stop"	Error

Reporter: Anita M. Pekerol of Accurate Stenotype Reporters, Inc.
Date of Deposition: 08/19/09

Petition for rate increase by FPL - Docket No. 080677-EI

FPL Late-Filed Exhibit - Deposition of Kim Ousdahl
Tentative Timeline for the Transfer of FPL-NED from FPL to New Hampshire Transmission, LLC*

Proposed FPL-NED filings

- Joint Application for Approval of Transfer of Assets from FPL-NED - proposed filing date with New Hampshire PUC - late September, 2009
- FERC 203 filing - proposed filing date with FERC - October, 2009
- FERC 205 filing for Local Network Service rates - proposed filing date with FERC - January, 2010

Filings by ISO-NE - FPL cannot reasonably provide timelines:

- Transmission Owners Agreement
- Participants Agreement
- Regional Network Service formula rate filing
- Market Participant Service Agreement
- Rate Design and Funds Disbursement Agreement)
- Attachment E (provides a list of Local Networks and includes reference to FPL-NED)
- ISO Tariff – Schedule 21 (revised to reflect new name)

Subject to receiving all regulatory approvals, FPL has a proposed target date of June 1, 2010 for the transfer to be complete.

***All dates are proposed targets and subject to change pending numerous regulatory approvals**

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
EXPECTED DOE REIMBURSEMENTS FOR 2010 and 2011 TEST YEARS
($000's)

		Amounts Reflected in Exhibit KO-16 Item No. 4			
Line No.	Description	Company Per Book Adjustment (1)		Jurisdictional Factor (2)	Jurisdictional Adjustment (3)
1	**2010**				
2	**RATE BASE (13 Month Average)**				
3					
4	PLANT IN SERVICE	$ (26,175)	A	0.988182	$ (25,866)
5	ACCUM PROVISION FOR DEPREC/AMORT	255	B	0.988182	252
6	NET PLANT IN SERVICE	$ (25,921)			$ (25,614)
7					
8	CONSTRUCTION WORK IN PROGRESS (CWIP)	$ (838)	C	0.988182	$ (828)
9					
10	TOTAL RATE BASE ADJUSTMENT	$ (26,759)			$ (26,443)
11					
12	**2011**				
13	**RATE BASE (13 Month Average)**				
14					
15	PLANT IN SERVICE	$ (53,347)	A	0.988108	$ (52,713)
16	ACCUM PROVISION FOR DEPREC/AMORT	1,534	B	0.988108	1,515
17	NET PLANT IN SERVICE	$ (51,813)			$ (51,197)
18					
19	CONSTRUCTION WORK IN PROGRESS (CWIP)	$ (1,392)	C	0.988108	$ (1,375)
20					
21	TOTAL RATE BASE ADJUSTMENT	$ (53,205)			$ (52,573)
22					

23 Notes:
24 (A) Amount of forecasted plant-in-service that is expected to be reimbursed from the DOE at a future date.
25 (B) Accumulated depreciation represents the 13 month average for the years ending December 31, 2010 and
26 2011. Based on composite rates specific to each Nuclear unit developed from
27 FPL's proposed depreciation rates in its 2009 Depreciation Study.
28 (C) Amount of forecasted CWIP, not expected to accrue AFUDC, that is expected to be reimbursed
29 from the DOE at a future date.

Amounts Associated With The SNF Settlement

Line No.			(1)	(2)	(3)
			2009 - 2010 Expenditures		
1	Capital				
2			2009	2010	2011
3	Annual Expenditures	(a)			
7	Net Recoverable from DOE		24,953,247	26,370,001	7,177,572
8	Cumulative Amount			51,323,248	58,500,820
9					
10	Cumulative Balance at End of Year				
11	Plant in Service		5,994,531	50,200,097	56,539,509
12	CWIP - Rate Base not accruing AFUDC		753,675	1,123,152	1,961,311
13	CWIP - Not in Rate Base - accruing AFUDC		18,205,041	-	
14					
15	Cumulative Balance Thirteen Month Average at End of Year				
16	Plant in Service	(b)	610,196	26,175,335	53,347,051
17	CWIP - Rate Base not accruing AFUDC	(b)	374,767	838,013	1,391,822
18	CWIP - Not in Rate Base - accruing AFUDC		12,608,500	10,529,290	-
19					
20	(a) See also Late Filed Deposition Exhibit No. 2 - Deposition of Art Stall				
21	(b) amount shown on page 1 of 2				

Docket No. 080677-EI
Dismantlement reallocations of theoretical reserves (revised)
Kim Ousdahl
Late Filed Exhibit 3, Page 1 of 3

Revised Fossil Reserve Dismantlement Reallocation
Proposed Entries to Reallocate Dismantlement Reserve
Reallocations per Theoretical Reserve Technique
Current Study Year: 2009

Sites/Units [a]	I/S Year [b]	Econ Rec Date [c]	Total Life [d]	Remaining Life [e]	Dismantle Rsv as of 12/31/09 per CATS/Proj [f]	Total Future Dismantlement Expenditures per Summary [g]	Future Accruals for Dismantlement [h] =([e] / [d]) X [g]	Theoretical Reserve for Dismantlement [i] = [g] - [h]	Theoretical Reserve Surplus/(Deficiency) j = [f] - [i]	Surpluses [k] = [f] - [i]	Deficiencies [l] = [f] - [i]	Credits to Units With Deficiencies [m] (see note 1)	Debits to Units With Surpluses [n] = [k]	Credits to Units With Deficiencies
Cape Canaveral														
Common	1965	2010	45	1	7,974,253	8,809,351	195,763	8,613,587	(639,334)	0	(639,334)	44,272	0	44,271
Unit 1	1965	2010	45	1	5,154,040	4,510,767	100,239	4,410,528	743,512	743,512	0	0	743,512	0
Unit 2	1969	2010	41	1	4,525,794	4,044,777	98,653	3,946,124	579,670	579,670	0	0	579,670	0
Cutler														
Unit 5	1954	2020	66	11	4,760,655	6,684,781	1,114,130	5,570,651	(809,996)	0	(809,996)	56,089	0	56,089
Unit 6	1955	2020	65	11	6,668,442	9,789,332	1,656,656	8,132,676	(1,464,234)	0	(1,464,234)	101,393	0	101,393
Manatee														
Unit 1	1976	2020	44	11	14,680,452	24,351,407	6,087,852	18,263,555	(3,583,103)	0	(3,583,103)	248,117	0	248,117
Unit 2	1977	2020	43	11	14,614,663	24,351,407	6,229,430	18,121,977	(3,507,314)	0	(3,507,314)	242,869	0	242,869
Common [see note (2)]	1976	2020	44	11	7,634,977	16,448,137	4,112,034	12,336,103	(4,701,126)	0	(4,701,126)	325,536	0	325,536
Martin														
Unit 1	1980	2020	40	11	11,779,742	17,768,360	4,886,299	12,882,061	(1,102,319)	0	(1,102,319)	76,332	0	76,332
Unit 2	1981	2020	39	11	11,655,591	17,768,360	5,011,589	12,756,772	(1,101,181)	0	(1,101,181)	76,253	0	76,253
Common [see note (2)]	1980	2020	40	11	12,187,735	22,528,722	6,195,399	16,333,323	(4,145,588)	0	(4,145,588)	287,067	0	287,067
Port Everglades														
Unit 1	1960	2020	60	11	11,901,383	22,826,431	4,184,846	18,641,586	(6,740,203)	0	(6,740,203)	466,734	0	466,734
Unit 2	1961	2020	59	11	9,983,972	22,826,431	4,255,775	18,570,656	(8,586,684)	0	(8,586,684)	594,596	0	594,596
Unit 3	1964	2020	56	11	8,952,047	12,012,961	2,359,689	9,653,272	(701,225)	0	(701,225)	48,557	0	48,557
Unit 4	1965	2020	55	11	9,460,093	12,012,961	2,402,592	9,610,368	(150,275)	0	(150,275)	10,406	0	10,406
Common	1960	2020	60	11	14,307,481	24,422,119	4,477,388	19,944,731	(5,637,250)	0	(5,637,250)	390,359	0	390,359

Revised Fossil Reserve Dismantlement Reallocation
Proposed Entries to Reallocate Dismantlement Reserve
Reallocations per Theoretical Reserve Technique
Current Study Year: 2009

Sites/Units [a]	I/S Year [b]	Econ Rec Date [c]	Total Life [d]	Remaining Life [e]	Dismantle Rsv as of 12/31/09 per CATS/Proj [f]	Total Future Dismantlement Expenditures per Summary [g]	Future Accruals for Dismantlement [h] =([e] / [d]) X [g]	*Theoretical* Reserve for Dismantlement [i] = [g] - [h]	*Theoretical* Reserve Surplus/(Deficiency) j = [f] - [i]	Surpluses [k] = [f] - [i]	Deficiencies [l] = [f] - [i]	Credits to Units With Deficiencies [m] (see note 1)	Debits to Units With Surpluses [n] = [k]	Credits to Units With Deficiencies
Riviera														
Unit 3	1962	2011	49	2	4,915,779	3,688,326	150,544	3,537,782	1,377,997	1,377,997	0	0	1,377,997	0
Unit 4	1963	2011	48	2	4,894,028	3,688,326	153,680	3,534,646	1,359,382	1,359,382	0	0	1,359,382	0
Common	1946	2011	65	2	9,133,628	8,755,806	269,409	8,486,397	647,231	647,231	0	0	647,231	0
Sanford														
Unit 3	1959	2020	61	11	5,987,502	8,039,649	1,449,773	6,589,876	(602,374)	0	(602,374)	41,712	0	41,712
Scherer														
Common 1 -4	1989	2029	40	20	15,776,109	40,254,548	20,127,274	20,127,274	(4,351,165)	0	(4,351,165)	301,302	0	301,302
Scherer Common 3 & 4	1989	2029	40	20	2,045,408	4,974,674	2,487,337	2,487,337	(441,929)	0	(441,929)	30,602	0	30,602
Scherer Unit 4	1989	2029	40	20	13,118,284	40,821,262	20,410,631	20,410,631	(7,292,347)	0	(7,292,347)	504,968	0	504,968
St. Johns River														
Unit 1	1987	2028	41	19	4,080,137	10,197,559	4,725,698	5,471,861	(1,391,724)	0	(1,391,724)	96,372	0	96,372
Unit 2	1988	2028	40	19	3,970,326	10,197,559	4,843,841	5,353,719	(1,383,393)	0	(1,383,393)	95,795	0	95,795
Common	1988	2028	40	19	8,325,390	18,933,518	8,993,421	9,940,097	(1,614,707)	0	(1,614,707)	111,812	0	111,812
Coal & Limestone Eq	1988	2028	40	19	1,938,655	5,095,012	2,420,131	2,674,882	(736,227)	0	(736,227)	50,981	0	50,981
Gypsum & Ash Eq	1988	2028	40	19	511,364	1,292,874	614,115	678,759	(167,395)	0	(167,395)	11,591	0	11,591
Turkey Point														
Unit 1	1967	2020	53	11	4,487,728	7,965,792	1,653,278	6,312,514	(1,824,786)	0	(1,824,786)	126,360	0	126,360
Unit 2	1968	2020	52	11	4,523,749	7,965,792	1,685,071	6,280,720	(1,756,971)	0	(1,756,971)	121,664	0	121,664
Common	1967	2032	65	23	8,204,629	18,196,870	6,438,892	11,757,978	(3,553,349)	0	(3,553,349)	246,056	0	246,056
or Steam Function (see note 3)					248,154,036	441,223,871	129,791,430	311,432,441	(63,278,405)	4,707,793	(67,986,198)	4,707,793	4,707,793	4,707,793

Revised Fossil Reserve Dismantlement Reallocation
Proposed Entries to Reallocate Dismantlement Reserve
Reallocations per Theoretical Reserve Technique
Current Study Year: 2009

Sites/Units [a]	I/S Year [b]	Econ Rec Date [c]	Total Life [d]	Remaining Life [e]	Dismantle Rsv as of 12/31/09 per CATS/Proj [f]	Total Future Dismantlement Expenditures per Summary [g]	Future Accruals for Dismantlement [h] =([e] / [d]) X [g]	Theoretical Reserve for Dismantlement [i] = [g] - [h]	Theoretical Reserve Surplus/(Deficiency) j = [f] - [i]	Surpluses [k] = [f] - [i]	Deficiencies [l] = [f] - [i]	Credits to Units With Deficiencies [m] (see note 1)	Debits to Units With Surpluses [n] = [k]	Credits to Units With Deficiencies
Fort Lauderdale														
Unit 4	1993	2020	27	11	10,341,190	20,902,809	8,515,959	12,386,850	(2,045,660)	0	(2,045,660)			
Unit 5	1993	2020	27	11	8,033,628	16,491,818	6,718,889	9,772,929	(1,739,301)	0	(1,739,301)			
Gas Turbines	1970	2020	50	11	457,952	718,279	158,021	560,258	(102,306)	0	(102,306)			
Fort Myers														
Common	1958	2028	70	19	10,093,088	18,959,900	5,146,259	13,813,641	(3,720,553)	0	(3,720,553)			
Unit 2	2002	2027	25	18	5,113,860	23,658,535	17,034,145	6,624,390	(1,510,530)	0	(1,510,530)			
Unit 3	2003	2028	25	19	1,334,204	9,934,389	7,550,136	2,384,253	(1,050,049)	0	(1,050,049)			
Gas Turbines	1974	2020	46	11	2,985,301	4,568,937	1,092,572	3,476,365	(491,064)	0	(491,064)			
Manatee														
Unit 3	2005	2030	25	21	5,695,165	15,493,447	13,014,496	2,478,952	3,216,213	3,216,213	0			
Common [see note (2)]	1976	2030	54	21	12,379,562	30,907,112	12,019,432	18,887,680	(6,508,118)	0	(6,508,118)			
Martin														
Unit 3	1994	2020	26	11	4,322,196	8,269,714	3,498,725	4,770,989	(448,793)	0	(448,793)			
Unit 4	1994	2020	26	11	2,898,437	5,764,977	2,439,029	3,325,948	(427,511)	0	(427,511)			
Unit 8	2001	2030	29	21	3,611,757	14,760,407	10,688,571	4,071,836	(460,079)	0	(460,079)			
Common [see note (2)]	1980	2030	50	21	18,509,416	34,659,605	14,557,034	20,102,571	(1,593,155)	0	(1,593,155)			
Putnam														
Unit 1	1978	2020	42	11	999,997	1,629,261	426,711	1,202,550	(202,553)	0	(202,553)			
Unit 2	1977	2020	43	11	1,009,062	1,629,261	416,788	1,212,474	(203,412)	0	(203,412)			
Common	1977	2020	43	11	9,625,017	14,135,246	3,615,993	10,519,253	(894,236)	0	(894,236)			
Port Ever Gas Turbines	1971	2020	49	11	328,808	634,488	142,436	492,052	(163,244)	0	(163,244)			
Sanford														
Unit 4	2003	2028	25	19	3,870,509	20,969,748	15,937,008	5,032,739	(1,162,230)	0	(1,162,230)			
Unit 5	2002	2027	25	18	4,529,594	20,412,805	14,697,220	5,715,585	(1,185,991)	0	(1,185,991)			
Common	1959	2028	69	19	9,536,876	16,635,554	4,580,805	12,054,749	(2,517,873)	0	(2,517,873)			
Subtotals for Other Production Function					115,675,619	281,136,294	142,250,229	138,886,065	(23,210,446)	3,216,213	(26,426,659)	0	0	
Turkey Point Unit 5 [see note (	2007	2032	25	23	982,169	17,138,452	15,767,376	1,371,076	(388,907)	0	(388,907)		0	
					116,657,788	298,274,746	158,017,605	140,257,141	(23,599,353)	3,216,213	(26,815,566)	0	0	
Grand Totals - Both Functions					364,811,824	739,498,617	287,809,035	451,689,582	(86,877,758)	7,924,007	(94,801,765)	4,707,793	4,707,793	

Notes:

'(1) The cells in this column contain a formula that allocates the total amount of surplus for *those units that have surpluses, to* those units that have deficiencies, based on the percentage relationship that each units deficiency has to the total deficiency by function.

(2) For purposes of this re-allocation, some reserve for common facilities at the Manatee and Martin sites was assigned to Other Production plant in recognition of Common facilities' support of new combined cycle units.

(3) Only Steam Reserve is being re-allocated per the change in economic recovery dates for Cape Canaveral and Riviera.

'(1) The cells in this column contain a formula that allocates the total amount of surplus for those units that have surpluses, to those units that have deficiencies, based on the percentage relationship that each units deficiency has to the total deficiency by function.

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FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2010 RECALCULATED JURISDICTIONAL RATE BASE (RB) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

JURISDICTIONAL RATE BASE	ITEM - 4 DOE SETTLEMENT	ITEM - 8 BAD DEBT PROVISION	ITEM - 12 CIS PLANT	ITEM - 13 STORM LIABILITY	ITEM - 14 FUEL INVENTORY	ITEM - 16 ACCOUNT 354 DEPRECIATION	ITEM - 19 NUCLEAR FUEL	ITEM - 21 TRANSMISSION SERVICES	TOTAL RB JURISDICTIONAL ADJUSTMENTS
PLANT IN SERVICE	(25,866)		(3,301)					(386,896)	(416,063)
DEPRECIATION & AMORT RESERVE	(252)		(130)			(1,734)		(144,299)	(146,415)
NET PLANT IN SERVICE	(25,614)	0	(3,171)	0	0	1,734	0	(242,597)	(269,648)
FUTURE USE PLANT								(4,200)	(4,200)
CWIP	(828)		3,301					(18,623)	(16,150)
NUCLEAR FUEL							(3,771)		(3,771)
NET UTILITY PLANT	(26,442)	0	130	0	0	1,734	(3,771)	(265,420)	(293,769)
WORKING CAPITAL		584		1,809	1,685			3,700	7,777
RATE BASE	(26,442)	584	130	1,809	1,685	1,734	(3,771)	(261,720)	(285,991)

NOTE: TOTALS MAY NOT ADD DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2010 RECALCULATED JURISDICTIONAL RATE BASE (RB) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

ADJUSTMENT DETAIL	REF	COMPANY PER BOOKS	JURISDICTIONAL FACTOR	JURISDICTIONAL UTILITY	DESCRIPTION OF FACTOR
DOE SETTLEMENT					
PLANT IN SERVICE	4	(26,175)	0.988182	(25,866)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
ACCUMULATED DEPRECIATION	4	(255)	0.988182	(252)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
CONSTRUCTION WORK IN PROGRESS	4	(838)	0.988182	(828)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
BAD DEBT - ACCUM PROV	8	584	1.000000	584	FERC 144
CIS 3 IMPLEMENTATION					
PLANT IN SERVICE	12	(3,329)	0.991745	(3,301)	FACTOR ASSOCIATED WITH INTANGIBLE FUNCTION
ACCUMULATED DEPRECIATION	12	(131)	0.991745	(130)	FACTOR ASSOCIATED WITH INTANGIBLE FUNCTION
CONSTRUCTION WORK IN PROGRESS	12	3,329	0.991745	3,301	FACTOR ASSOCIATED WITH INTANGIBLE FUNCTION
MISC DEF CREDIT - STORM LIABILITY	13	1,825	0.991110	1,809	FERC 253
FUEL INVENTORY	14	1,716	0.981672	1,685	FERC 151
ACCOUNT 354 - DEPRECIATION	16	(1,744)	0.994460	(1,734)	FACTOR ASSOCIATED WITH TRANSMISSION FUNCTION
NUCLEAR FUEL ADJUSTMENT	19	(3,811)	0.989501	(3,771)	FERC 120
TRANSMISSION SERVICE ADJUSTMENTS					
PLANT IN SERVICE	21			(386,896)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
ACCUMULATED DEPRECIATION	21			(144,299)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
PLANT HELD FOR FUTURE USE	21			(4,200)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
CONSTRUCTION WORK IN PROGRESS	21			(18,623)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
WORKING CAPITAL ASSETS	21			(9,400)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
WORKING CAPITAL LIABILITIES	21			13,100	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
TOTAL RATE BASE ADJUSTMENTS				(285,991)	

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES

2011 RECALCULATED JURISDICTIONAL RATE BASE (RB) BY ITEM REFLECTING KO-16 ADJUSTMENTS

($000's)

JURISDICTIONAL RATE BASE	ITEM - 4 DOE SETTLEMENT	ITEM - 8 BAD DEBT PROVISION	ITEM - 12 CIS PLANT	ITEM - 13 STORM LIABILITY	ITEM - 14 FUEL INVENTORY	ITEM - 16 ACCOUNT 354 DEPRECIATION	ITEM - 19 NUCLEAR FUEL	ITEM - 21 TRANSMISSION SERVICES	TOTAL RB JURISDICTIONAL ADJUSTMENTS
PLANT IN SERVICE	(52,713)		(31,641)					(410,264)	(494,618)
DEPRECIATION & AMORT RESERVE	(1,516)		(1,958)			(5,273)		(154,424)	(163,171)
NET PLANT IN SERVICE	(51,197)	0	(29,683)	0	0	5,273	0	(255,840)	(331,446)
FUTURE USE PLANT								(3,934)	(3,934)
CWIP	(1,375)		31,641					(30,829)	(563)
NUCLEAR FUEL							(3,792)		(3,792)
NET UTILITY PLANT	(52,572)	0	1,958	0	0	5,273	(3,792)	(290,603)	(339,735)
WORKING CAPITAL		(398)		1,809	(10,503)			3,809	(5,283)
RATE BASE	(52,572)	(398)	1,958	1,809	(10,503)	5,273	(3,792)	(286,794)	(345,018)

NOTE: TOTALS MAY NOT ADD DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES

2011 RECALCULATED JURISDICTIONAL RATE BASE (RB) BY ITEM REFLECTING KO-16 ADJUSTMENTS

($000's)

ADJUSTMENT DETAIL	REF	COMPANY PER BOOKS	JURISDICTIONAL FACTOR	JURISDICTIONAL UTILITY	DESCRIPTION OF FACTOR
DOE SETTLEMENT					
PLANT IN SERVICE	4	(53,347)	0.988108	(52,713)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
ACCUMULATED DEPRECIATION	4	(1,534)	0.988108	(1,516)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
CONSTRUCTION WORK IN PROGRESS	4	(1,392)	0.988108	(1,375)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
BAD DEBT - ACCUM PROV	8	(398)	1.000000	(398)	FERC 144
CIS 3 IMPLEMENTATION					
PLANT IN SERVICE	12	(31,903)	0.991773	(31,641)	FACTOR ASSOCIATED WITH INTANGIBLE FUNCTION
ACCUMULATED DEPRECIATION	12	(1,974)	0.991773	(1,958)	FACTOR ASSOCIATED WITH INTANGIBLE FUNCTION
CONSTRUCTION WORK IN PROGRESS	12	31,903	0.991773	31,641	FACTOR ASSOCIATED WITH INTANGIBLE FUNCTION
MISC DEF CREDIT - STORM LIABILITY	13	1,825	0.991117	1,809	FERC 253
FUEL INVENTORY	14	(10,704)	0.981245	(10,503)	FERC 151
ACCOUNT 354 - DEPRECIATION	16	(5,303)	0.994514	(5,273)	FACTOR ASSOCIATED WITH TRANSMISSION FUNCTION
NUCLEAR FUEL ADJUSTMENT	19	(3,835)	0.988687	(3,792)	FERC 120
TRANSMISSION SERVICE ADJUSTMENTS					
PLANT IN SERVICE	21			(410,264)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
ACCUMULATED DEPRECIATION	21			(154,424)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
PLANT HELD FOR FUTURE USE	21			(3,934)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
CONSTRUCTION WORK IN PROGRESS	21			(30,829)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
WORKING CAPITAL ASSETS	21			(8,502)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
WORKING CAPITAL LIABILITIES	21			12,311	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
TOTAL RATE BASE ADJUSTMENTS				**(345,018)**	

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FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2010 RECALCULATED JURISDICTIONAL NET OPERATING INCOME (NOI) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

JURISDICTIONAL NOI	ITEM - 2 NEIL INSURANCE	ITEM - 3 DOE SETTLEMENT	ITEM - 5 PAYROLL LOADINGS	ITEM - 6A LATE PYMT SVC. CHARGE	ITEM - 6B BAD DEBT EXPENSE	ITEM - 7 NOI MULTIPLIER CHANGE
REVENUE FROM SALES						441
OTHER OPERATING REVENUES				(7,386)		
TOTAL OPERATING REVENUES	0	0	0	(7,386)	0	441
<u>OPERATION AND MAINTENANCE EXPENSE</u>						
OTHER	10,982	(6,084)	(3,373)		1,476	1
FUEL & INTERCHANGE						
PURCHASED POWER						
DEFERRED COSTS						
SUBTOTAL O&M EXPENSE	10,982	(6,084)	(3,373)	0	1,476	1
DEPRECIATION & AMORTIZATION		(747)				
TAXES OTHER THAN INCOME TAXES		(109)	(510)			0
INCOME TAXES	(4,236)	2,677	1,498	(2,849)	(569)	169
(GAIN)/LOSS ON DISPOSAL OF PLANT						
TOTAL OPERATING EXPENSES	6,746	(4,263)	(2,385)	(2,849)	907	171
NET OPERATING INCOME	(6,746)	4,263	2,385	(4,537)	(907)	270

NOTE: TOTALS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2010 RECALCULATED JURISDICTIONAL NET OPERATING INCOME (NOI) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

JURISDICTIONAL NOI	ITEM - 9 STATE UNEMPLOYMENT TAX	ITEM - 10 LATE PYMT CHARGE	ITEM - 11 CIS3 DEPRECIATION	ITEM - 15 ACCOUNT 354 DEPRECIATION	ITEM - 20 INCREMENTAL HEDGING	ITEM - 21 TRANSMISSION SERVICES	TOTAL NOI JURISDICTIONAL ADJUSTMENTS
REVENUE FROM SALES							441
OTHER OPERATING REVENUES		752				(33,639)	(40,273)
TOTAL OPERATING REVENUES	0	752	0	0	0	(33,639)	(39,832)
<u>OPERATION AND MAINTENANCE EXPENSE</u>							
OTHER						(10,462)	(7,459)
FUEL & INTERCHANGE					(52)		(52)
PURCHASED POWER							0
DEFERRED COSTS							0
SUBTOTAL O&M EXPENSE	0	0	0	0	(52)	(10,462)	(7,511)
DEPRECIATION & AMORTIZATION			(435)	(3,419)		(10,335)	(14,936)
TAXES OTHER THAN INCOME TAXES	972					(4,918)	(4,564)
INCOME TAXES	(375)	290	168	1,319	20	(3,057)	(4,946)
(GAIN)/LOSS ON DISPOSAL OF PLANT							0
TOTAL OPERATING EXPENSES	597	290	(267)	(2,100)	(32)	(28,772)	(31,957)
NET OPERATING INCOME	(597)	462	267	2,100	32	(4,867)	(7,875)

NOTE: TOTALS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2010 RECALCULATED JURISDICTIONAL NET OPERATING INCOME (NOI) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

ADJUSTMENT DETAIL	REF	COMPANY PER BOOKS	JURISDICTIONAL FACTOR	JURISDICTIONAL UTILITY	DESCRIPTION OF FACTOR
NEIL INSURANCE					
PROPERTY INSURANCE	2	6,590	0.991110	6,532	FERC 924
PROPERTY INSURANCE, NUCLEAR OUTAGE	2	4,504	0.988182	4,451	FERC 924.1
		11,094		10,982	
DOE SETTLEMENT					
O&M	3	(6,156)	0.988182	(6,084)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
DEPRECIATION EXPENSE	3	(756)	0.988182	(747)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
PROPERTY TAX	3	(110)	0.988182	(109)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
PAYROLL LOADINGS					
ADMIN EXPENSES TRANSFERRED	5	(2,575)	0.991745	(2,554)	FERC 922
INJURIES & DAMAGES	5	(59)	0.991745	(58)	FERC 925
PENSION & BENEFITS	5	(767)	0.991745	(761)	FERC 926
TAXES OTHER THAN INCOME TAXES	5	(514)	0.991745	(510)	FERC 408
		(3,916)		(3,883)	
LATE PAYMENT REVENUE - SERVICE CHARGE	6A	(7,386)	1.000000	(7,386)	FERC 450
BAD DEBT EXPENSE	6B	1,476	1.000000	1,476	FERC 904
(38.8% OF $3.805M ALLOCATED TO BASE)					
NOI MULTIPLIER CHANGE					
NOI DEFICIENCY PER FILED SCHEDULE A-1	7			638,865	
NOI MULTIPLIER PER FILED SCHEDULE A-1	7			1.63342	
REVISED NOI MULTIPLIER	7			1.63411	
MULTIPLIER DIFFERENCE	7			0.00069	
CHANGE IN REVENUE REQUIREMENTS				441	
STATE UNEMPLOYMENT TAX	9	980	0.991745	972	FERC 408
LATE PAYMENT CHARGE	10	752	1.000000	752	FERC 450

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2010 RECALCULATED JURISDICTIONAL NET OPERATING INCOME (NOI) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

ADJUSTMENT DETAIL	REF	COMPANY PER BOOKS	JURISDICTIONAL FACTOR	JURISDICTIONAL UTILITY	DESCRIPTION OF FACTOR
DEPRECIATION EXPENSE - CIS3	11	(439)	0.991745	(435)	FACTOR ASSOCIATED WITH INTANGIBLE FUNCTION
DEPRECIATION EXPENSE - ACCOUNT 354	15	(3,487)	0.980363	(3,419)	FACTOR ASSOCIATED WITH TRANSMISSION FUNCTION
INCREMENTAL HEDGING COSTS	20	(53)	0.981672	(52)	FERC 501
TRANSMISSION SERVICES					
OTHER OPERATING REVENUES	21			(33,639)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
OPERATING & MAINTENANCE EXPENSES	21			(10,462)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
DEPRECIATION & AMORTIZATION	21			(10,352)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
TAXES OTHER THAN INCOME TAXES	21			(4,918)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
AMORTIZATION OF REGULATORY ASSET	21			17	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2011 RECALCULATED JURISDICTIONAL NET OPERATING INCOME (NOI) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

JURISDICTIONAL NOI	ITEM - 2 NEIL INSURANCE	ITEM - 3 DOE SETTLEMENT	ITEM - 5 PAYROLL LOADINGS	ITEM - 6A LATE PYMT SVC. CHARGE	ITEM - 6B BAD DEBT EXPENSE	ITEM - 7 NOI MULTIPLIER CHANGE
REVENUE FROM SALES						184
OTHER OPERATING REVENUES				(7,001)		
TOTAL OPERATING REVENUES	0	0	0	(7,001)	0	184
OPERATION AND MAINTENANCE EXPENSE						
OTHER	10,982	(5,327)	(3,592)		754	1
FUEL & INTERCHANGE						
PURCHASED POWER						
DEFERRED COSTS						
SUBTOTAL O&M EXPENSE	10,982	(5,327)	(3,592)	0	754	1
DEPRECIATION & AMORTIZATION		(1,542)				
TAXES OTHER THAN INCOME TAXES		(928)	(543)			0
INCOME TAXES	(4,236)	3,008	1,595	(2,701)	(291)	71
(GAIN)/LOSS ON DISPOSAL OF PLANT						
TOTAL OPERATING EXPENSES	6,746	(4,790)	(2,540)	(2,701)	463	71
NET OPERATING INCOME	(6,746)	4,790	2,540	(4,300)	(463)	113

NOTE: TOTALS MAY NOT FOOT DUE TO ROUNDING.

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FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2011 RECALCULATED JURISDICTIONAL NET OPERATING INCOME (NOI) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

JURISDICTIONAL NOI	ITEM - 9 STATE UNEMPLOYMENT TAX	ITEM - 10 LATE PYMT CHARGE	ITEM - 11 CIS3 DEPRECIATION	ITEM - 15 ACCOUNT 354 DEPRECIATION	ITEM - 20 INCREMENTAL HEDGING	ITEM - 21 TRANSMISSION SERVICES	TOTAL NOI JURISDICTIONAL ADJUSTMENTS
REVENUE FROM SALES							184
OTHER OPERATING REVENUES		776				(34,658)	(40,883)
TOTAL OPERATING REVENUES	0	776	0	0	0	(34,658)	(40,699)
OPERATION AND MAINTENANCE EXPENSE							
OTHER						(10,061)	(7,244)
FUEL & INTERCHANGE					(52)		(52)
PURCHASED POWER							0
DEFERRED COSTS							0
SUBTOTAL O&M EXPENSE	0	0	0	0	(52)	(10,061)	(7,296)
DEPRECIATION & AMORTIZATION			(4,216)	(3,611)		(11,374)	(20,744)
TAXES OTHER THAN INCOME TAXES	971					(5,411)	(5,911)
INCOME TAXES	(375)	299	1,626	1,393	20	(3,013)	(2,603)
(GAIN)/LOSS ON DISPOSAL OF PLANT							0
TOTAL OPERATING EXPENSES	596	299	(2,590)	(2,218)	(32)	(29,859)	(36,554)
NET OPERATING INCOME	(596)	477	2,590	2,218	32	(4,799)	(4,145)

NOTE: TOTALS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
2011 RECALCULATED JURISDICTIONAL NET OPERATING INCOME (NOI) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

ADJUSTMENT DETAIL	REF	COMPANY PER BOOKS	JURISDICTIONAL FACTOR	JURISDICTIONAL UTILITY	DESCRIPTION OF FACTOR
NEIL INSURANCE					
PROPERTY INSURANCE	2	6,590	0.991107	6,531	FERC 924
PROPERTY INSURANCE, NUCLEAR OUTAGE	2	4,504	0.988108	4,450	FERC 924.1
		11,094		10,982	
DOE SETTLEMENT					
O&M	3	(5,392)	0.988108	(5,327)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
DEPRECIATION EXPENSE	3	(1,561)	0.988108	(1,542)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
PROPERTY TAX	3	(939)	0.988108	(928)	FACTOR ASSOCIATED WITH NUCLEAR FUNCTION
PAYROLL LOADINGS					
ADMIN EXPENSES TRANSFERRED	5	(2,584)	0.991745	(2,562)	FERC 922
INJURIES & DAMAGES	5	(63)	0.991745	(62)	FERC 925
PENSION & BENEFITS	5	(976)	0.991745	(968)	FERC 926
TAXES OTHER THAN INCOME TAXES	5	(548)	0.991745	(543)	FERC 408
		(4,170)		(4,135)	
LATE PAYMENT REVENUE - SERVICE CHARGE	6A	(7,001)	1.000000	(7,001)	FERC 450
BAD DEBT EXPENSE	6B	754	1.000000	754	FERC 904
(38.7% OF $1.948M ALLOCATED TO BASE)					
NOI MULTIPLIER CHANGE					
NOI DEFICIENCY PER FILED SCHEDULE A-1	7			800,119	
NOI MULTIPLIER PER FILED SCHEDULE A-1	7			1.63256	
REVISED NOI MULTIPLIER	7			1.63279	
MULTIPLIER DIFFERENCE	7			0.00023	
CHANGE IN REVENUE REQUIREMENTS				184	
STATE UNEMPLOYMENT TAX	9	979	0.991773	971	FERC 408
LATE PAYMENT CHARGE	10	776	1.000000	776	FERC 450

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2011 RECALCULATED JURISDICTIONAL NET OPERATING INCOME (NOI) BY ITEM REFLECTING KO-16 ADJUSTMENTS
($000's)

ADJUSTMENT DETAIL	REF	COMPANY PER BOOKS	JURISDICTIONAL FACTOR	JURISDICTIONAL UTILITY	DESCRIPTION OF FACTOR
DEPRECIATION EXPENSE - CIS3	11	(4,251)	0.991773	(4,216)	FACTOR ASSOCIATED WITH INTANGIBLE FUNCTION
DEPRECIATION EXPENSE - ACCOUNT 354	15	(3,631)	0.994514	(3,611)	FACTOR ASSOCIATED WITH TRANSMISSION FUNCTION
INCREMENTAL HEDGING COSTS	20	(53)	0.981245	(52)	FERC 501
TRANSMISSION SERVICES					
OTHER OPERATING REVENUES	21			(34,658)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
OPERATING & MAINTENANCE EXPENSES	21			(10,061)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
DEPRECIATION & AMORTIZATION	21			(11,278)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
TAXES OTHER THAN INCOME TAXES	21			(5,411)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11
AMORTIZATION OF REGULATORY ASSET	21			(96)	JURISDICTIONAL AMOUNTS FROM FPL REBUTTAL EXHIBIT JAE - 11

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES

2010 RECALCULATED MFR D-1A (COST OF CAPITAL - 13MONTH AVERAGE) REFLECTING KO-16 ADJUSTMENTS

($000)

LINE NO.	(1) CLASS OF CAPITAL	(2) COMPANY TOTAL PER BOOKS	(3) SPECIFIC ADJUSTMENTS	(4) PRO RATA ADJUSTMENTS	(5) SYSTEM ADJUSTED	(6) JURISDICTIONAL FACTOR	(7) JURISDICTIONAL ADJUSTED	(8) RATIO	(9) COST RATE	(10) WEIGHTED COST RATE
1	LONG TERM DEBT	7,072,377	(907,863)	(806,923)	5,357,591	0.988477	5,295,857	31.57%	5.55%	1.75%
2	PREFERRED STOCK	0	0	0	0	0.988477	0	0.00%	0.00%	0.00%
3	CUSTOMER DEPOSITS	626,383	0	(81,992)	544,390	1.000000	544,390	3.24%	5.98%	0.19%
4	COMMON EQUITY	9,188,265	(9,519)	(1,201,480)	7,977,265	0.988477	7,885,346	47.00%	12.50%	5.87%
5	SHORT TERM DEBT	181,615	0	(23,773)	157,842	0.988477	156,023	0.93%	2.96%	0.03%
6	DEFERRED INCOME TAX	3,351,931	12,747	(440,430)	2,924,248	0.988477	2,890,553	17.23%	0.00%	0.00%
7	INVESTMENT TAX CREDITS	63,939	(57,622)	(827)	5,490	0.988477	5,426	0.03%	9.71%	0.00%
8	TOTAL	20,484,509	(962,258)	(2,555,425)	16,966,826		16,777,595	100.00%		7.85%
9										
10										
11										
12										
13	NOTE: TOTALS MAY NOT ADD DUE TO ROUNDING.									
14										

DOCKET NO. 080677 - EI AND DOCKET NO. 090130-EI
2010-2011 RECALCULATED MFR D-1A REFLECTING KO-16 ADJUSTMENTS
KIM OUSDAHL
LATE FILED DEPOSITION EXHIBIT NO. 6, PAGE 2 OF 2

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES

2011 RECALCULATED MFR D-1A (COST OF CAPITAL - 13MONTH AVERAGE) REFLECTING KO-16 ADJUSTMENTS

($000)

(1) LINE NO. CLASS OF CAPITAL	(2) COMPANY TOTAL PER BOOKS	(3) SPECIFIC ADJUSTMENTS	(4) PRO RATA ADJUSTMENTS	(5) SYSTEM ADJUSTED	(6) JURISDICTIONAL FACTOR	(7) JURISDICTIONAL ADJUSTED	(8) RATIO	(9) COST RATE	(10) WEIGHTED COST RATE
1 LONG TERM DEBT	8,024,469	(901,312)	(1,229,831)	5,893,326	0.989018	5,828,605	33.24%	5.81%	1.93%
2 PREFERRED STOCK	0	0	0	0	0.989018	0	0.00%	0.00%	0.00%
3 CUSTOMER DEPOSITS	656,855	0	(113,408)	543,447	1.000000	543,447	3.10%	5.98%	0.19%
4 COMMON EQUITY	10,171,854	(9,519)	(1,754,552)	8,407,783	0.989018	8,315,447	47.42%	12.50%	5.93%
5 SHORT TERM DEBT	83,370	0	(14,394)	68,976	0.989018	68,218	0.39%	4.61%	0.02%
6 DEFERRED INCOME TAX	3,417,608	(23,607)	(585,983)	2,808,018	0.989018	2,777,180	15.84%	0.00%	0.00%
7 INVESTMENT TAX CREDITS	191,748	(188,709)	(525)	2,514	0.989018	2,486	0.01%	9.74%	0.00%
8 TOTAL	22,545,903	(1,123,148)	(3,698,692)	17,724,064		17,535,384	100.00%		8.06%
9									
10									
11									
12									
13 NOTE: TOTALS MAY NOT ADD DUE TO ROUNDING.									
14									

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Company

28 July 2009 | 9 pages

FPL Group Inc (FPL)

Equity

Conference Call Notes – Lowered Wind Development Outlook Takes A Little Shine Off The Growth Story

- **What's New** – During the call, the company indicated the amount of wind megawatts coming online in 2010 is expected to be 1,000 MWs, down from a prior range of 1,000-1,500 MWs. Management also mentioned that their previously given long-term outlook of bringing 7,000-9,000MWs of new wind online is "overly optimistic". The company's outlook has changed primarily due to the effects of a slowing economy, which is causing reluctance among counterparties, such as utilities, from signing new PPAs. The company's lowered wind outlook is also reflective of management not wanting to build uncontracted merchant capacity in a poor economic environment.

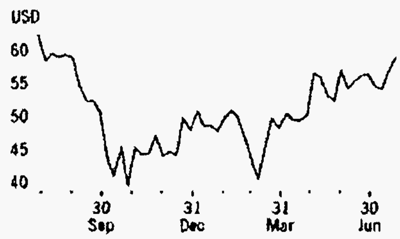
- **Possible EPS Impact** - Our financial forecast currently assumes 1,500 MWs coming on line in 2010 and 2011. A lowering of the forecast to 1,000 MWs, at first glance, could impact our annual EPS estimates by roughly $0.10/share of EPS in 2010 and beyond. This would be due to both the reduction in EBITDA contribution, as well as from the loss of incremental PTC contribution.

- **Looking Ahead** - We believe FPL carries a relatively high valuation due to its growth outlook, so a delay in the growth outlook could weigh on the stock by more than our initial EPS read might suggest. We rate FPL shares 2M.

- **Incremental negative for EIX** (EIX.N; US$32.69; 2M): FPL's commentary on the poor outlook for new wind development could also be negative for Hold Rated EIX, which also has a wind growth program through its EMG subsidiary.

Hold/Medium Risk	**2M**
Price (27 Jul 09)	US$60.04
Target price	US$58.00
Expected share price return	-3.4%
Expected dividend yield	3.0%
Expected total return	**-0.4%**
Market Cap	US$24,664M

Price Performance (RIC: FPL.N, BB: FPL US)



EPS	Q1	Q2	Q3	Q4	FY	FC Cons
2008A	0.76A	0.93A	1.25A	0.90A	3.84A	3.84A
2009E	**0.90A**	**0.96E**	**1.28E**	**1.00E**	**4.14E**	**4.22E**
Previous	0.90A	0.96E	1.28E	1.00E	4.14E	na
2010E	**na**	**na**	**na**	**na**	**4.79E**	**4.75E**
Previous	na	na	na	na	4.79E	na
2011E	**na**	**na**	**na**	**na**	**4.98E**	**5.18E**
Previous	na	na	na	na	4.98E	na

Source: Company Reports and dataCentral, CIR. FC Cons: First Call Consensus.

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See Appendix A-1 for Analyst Certification and important disclosures.

Fiscal year end 31-Dec	2007	2008	2009E	2010E	2011E
Valuation Ratios					
P/E adjusted (x)	17.3	15.7	14.5	12.5	12.0
EV/EBITDA adjusted (x)	8.7	9.1	7.6	6.8	6.8
P/BV (x)	2.3	2.1	1.9	1.7	1.6
Dividend yield (%)	2.6	3.0	3.1	3.3	3.5
Per Share Data (US$)					
EPS adjusted	3.48	3.84	4.14	4.79	4.98
EPS reported	3.27	4.07	4.14	4.79	4.98
BVPS	26.52	28.98	31.47	34.60	38.02
DPS	1.57	1.78	1.89	1.98	2.08
Profit & Loss (US$M)					
Net sales	15,263	16,409	16,636	18,205	19,097
Operating expenses	-12,845	-13,728	-13,794	-14,881	-15,624
EBIT	**2,418**	**2,681**	**2,842**	**3,325**	**3,473**
Net interest expense	-762	-813	-932	-1,158	-1,343
Non-operating/exceptionals	24	222	74	69	112
Pre-tax profit	**1,680**	**2,090**	**1,985**	**2,235**	**2,243**
Tax	-368	-450	-306	-272	-166
Extraord./Min.Int./Pref.div.	0	0	0	0	0
Reported net income	**1,312**	**1,640**	**1,680**	**1,963**	**2,077**
Adjusted earnings	1,398	1,547	1,680	1,963	2,077
Adjusted EBITDA	3,811	3,915	5,071	5,996	6,339
Growth Rates (%)					
Sales	-2.8	7.5	1.4	9.4	4.9
EBIT adjusted	41.2	-0.5	12.0	17.0	4.5
EBITDA adjusted	27.4	2.7	29.5	18.2	5.7
EPS adjusted	14.6	10.2	8.0	15.7	3.9
Cash Flow (US$M)					
Operating cash flow	**3,594**	**3,403**	**4,194**	**4,850**	**4,893**
Depreciation/amortization	1,260	1,377	2,229	2,671	2,866
Net working capital	699	-335	-8	0	0
Investing cash flow	**-4,579**	**-5,846**	**-5,399**	**-6,446**	**-5,940**
Capital expenditure	-4,340	-5,257	-5,395	-6,446	-5,940
Acquisitions/disposals	0	0	0	0	0
Financing cash flow	**655**	**2,688**	**1,562**	**2,794**	**1,968**
Borrowings	1,253	3,317	2,231	3,275	2,315
Dividends paid	-654	-714	-766	-813	-868
Change in cash	**-330**	**245**	**357**	**999**	**921**
Balance Sheet (US$M)					
Total assets	**40,123**	**44,794**	**48,925**	**54,564**	**59,658**
Cash & cash equivalent	290	535	892	1,891	2,811
Accounts receivable	2,083	2,048	1,970	1,970	1,970
Net fixed assets	28,652	32,411	36,058	40,698	44,871
Total liabilities	**29,388**	**33,116**	**36,133**	**40,289**	**43,653**
Accounts payable	2,035	1,929	1,938	1,938	1,938
Total Debt	13,699	17,086	19,342	22,617	24,932
Shareholders' funds	**10,735**	**11,678**	**12,792**	**14,275**	**16,005**
Profitability/Solvency Ratios (%)					
EBITDA margin adjusted	25.0	23.9	30.5	32.9	33.2
ROE adjusted	13.5	13.8	13.7	14.5	13.7
ROIC adjusted	7.3	6.1	6.6	7.2	7.1
Net debt to equity	124.9	141.7	144.2	145.2	138.2
Total debt to capital	56.1	59.4	60.2	61.3	60.9

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Powered by dataCentral

FPL Group Inc

Company description

FPL Group (FPL) is a public utility holding company that has annual revenues of more than $9 billion. Its principal subsidiary, Florida Power & Light Company (FP&L), is a regulated electric utility engaged in the generation, transmission, distribution, and sale of electric energy and serves more than 4 million customer accounts in Florida. FPL Energy (FPLE), LLC, FPL Group's rate regulated public utility and energy generating subsidiary, is a leader in U.S. wind power and has a diversified platform of more than 11,000 megawatts of generation assets in 24 states. FPL Group also owns FPL FiberNet, LLC, which provides fiber optic services and cable to telecom-related companies in Florida.

Investment strategy

We rate the shares of FPL Group Hold/Medium Risk (2M), as we believe the stock is fairly valued relative to its earnings growth prospects. We think the risk profile of FPL is lower than the average integrated utility, with a stronger-than-average balance sheet and 50-60% of its EPS coming from its FP&L utility business. However, the weakening economy and credit market turmoil may make the wind businesses growth aspirations more difficult to attain.

Valuation

Our target price is $58/share. We value FPL Group, an integrated utility, based on a sum of the parts approach. Our target is intended to reflect where the shares should trade one year forward from today.

The regulated utility is worth $29.25/share. We assume a 12.0x multiple on our regulated utility 2011 EPS forecast of $2.57/share (net of corporate drag and other) to arrive approximately $31/share. We then discount the $31/share over 6 months at 11% to arrive at a price one year from today of $29.25/share. Our target multiple of 12.0x corresponds to our long term regression of corporate bond yields and P/E multiples for regulated utilities, plus a premium/discount factor to account for likely regulated EPS growth over the next 3 years.

The merchant segment is worth $28.57/share. We assume a 7.0x Open EBITDA multiple on NextEra's core power business. Our Open EBITDA multiple, applied to our 2011 EBITDA forecast for NextEra's core power business of $1.25 billion on current forward commodity curves, arrives at an enterprise value of $8.7 billion. We adjust this value by adding NPV of hedges of $359 million and then subtract $2.5 billion of net debt to arrive at an equity value of $5.3 billion. This equates to about $16.00/share for the core power business.

We value the wind business separately. We apply a 9x multiple to our forecasted 2011 EBITDA of approximately $2.0B, to arrive at an enterprise value of $18.0 billion. We then subtract $11.7 billion of net debt to arrive at an equity value of $6.1 billion, which equates to about $14.81/share.

We then discount the per-share values of both the core power business and wind business at 15% over a six month period to arrive at a price, one year from today, of $28.57/share.

Risks

We rate FPL Group Medium Risk. The financial strength of FPL's core utility business should allow for consistent growth in cash flow and stable earnings. FPL's strong "A"-rated balance sheet should improve over the forecast horizon. Risks we see to the stock achieving our target price include the following:

Slowing Florida Economy — FPL's electric utility is exposed to the Florida economy, which may result in a level of electricity sales below our expectations and the stock underperforming our target. Conversely, if the economy strengthens and sales increase above our forecast, the stock may outperform.

Robust Wind Construction — We estimate that FPLE will construct more than 1000MW of wind generation per year over our forecast period. If FPL is unable to meet this construction schedule it could decrease the earnings contributions from organic wind build. If the ultimate accounting treatment of the convertible ITC's is not consistent with FPL's expectations, the stock may materially underperform.

Commodity Prices — NextEra's earnings are subject to market forces of commodity prices. Our estimate assumes that NextEra's 11,309MW merchant generation portfolio is 91% hedged in 2009 and 82% hedged in 2010, consistent with management guidance, while the remainder of the power is sold at current forward prices. Changes in forward prices could positively or negatively impact our forecasted earnings and cash flow and could impact the stock price.

Edison International

Valuation

Our target price is $35/share. We value Edison International, an integrated utility, based on a sum of the parts approach. Our target is intended to reflect where the shares should trade one year forward from today.

The regulated utility is worth $34.01/share. We assume a 12.5x multiple on our regulated utility 2011 EPS forecast of $2.87/share (includes corporate drag of $0.12/share) to arrive at $35.84/share of value for the utility. We then discount it back six months at 11% to arrive at one-year forward target value of $34.01/share. Our target multiple of 12.0x corresponds to our long term regression of corporate bond yields and P/E multiples for regulated utilities, plus a premium/discount factor to account for likely regulated EPS growth over the next 3 years. We assume a 0.05x premium for SCE.

The merchant segment is worth $1.02/share. We assume a 7.0x Open EBITDA multiple on Edison Mission Group's core power business and 9x multiple on its Wind business for a weighted average multiple of 7.85x Our Open EBITDA multiple, applied to our 2011 EBITDA forecast for EMG's core power and wind assets of $833 million on current forward commodity curves, arrives at an enterprise value of $6.5 billion. We then subtract $5.7 billion of net debt to arrive at an Equity Value of $977mm. We then subtract an NPV of $616mm to take into future environmental cap-ex. We then discount the equity value by

15% over a 6 month period to arrive at an equity value of $337mm, which equates to $1.02/share.

Risks

We rate Edison International Medium Risk. Edison's utility subsidiary, SCE, has fully recovered its under-collected power costs and Edison has resumed paying common dividends. Its merchant business is in a much stronger position financially than in recent years and is financially bifurcated from the parent company. However, Edison's continued ownership of EME, in our view, contributes uncertainty to the story. We believe Edison's stock price volatility will be consistent with its historic beta of 0.73x. Risks to the stock achieving our price target include the following:

Cost of capital future General Rate Case (GRC) uncertainty --- SCE's ROE could be re-set higher or lower depending on capital market conditions. Future GRC decisions could alter the utility's long-term earnings growth trajectory and the utility's ability to finance its capital expenditures.

Commodity risk at EME could contribute to stock volatility --- Since EME is increasingly un-hedged as we move through time EPS will be highly sensitive to our assumptions regarding power and coal prices, which could be higher or lower than currently forecast.

Cost of capital future General Rate Case (GRC) uncertainty --- SCE's ROE could be re-set higher or lower depending on capital market conditions. Future GRC decisions could alter the utility's long-term earnings growth trajectory and the utility's ability to finance its capital expenditures.

Commodity risk at EME could contribute to stock volatility --- Since EME is increasingly un-hedged as we move through time EPS will be highly sensitive to our assumptions regarding power and coal prices, which could be higher or lower than currently forecast.

Tax risk associated with leveraged lease portfolio --- Edison invests in leveraged leases through its Edison Capital subsidiary. The company is currently pursuing a cash neutral settlement with the IRS. Ultimately, a negative ruling by the IRS could lead to a restatement of earnings and cash penalties.

Appendix A-1

Analyst Certification

Each research analyst(s) principally responsible for the preparation and content of all or any identified portion of this research report hereby certifies that, with respect to each issuer or security or any identified portion of the report with respect to an issuer or security that the research analyst covers in this research report, all of the views expressed in this research report accurately reflect their personal views about those issuer(s) or securities. Each research analyst(s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) expressed by that research analyst in this research report.

IMPORTANT DISCLOSURES

FPL Group Inc (FPL)

Ratings and Target Price History
Fundamental Research
Analyst: Brian Chin

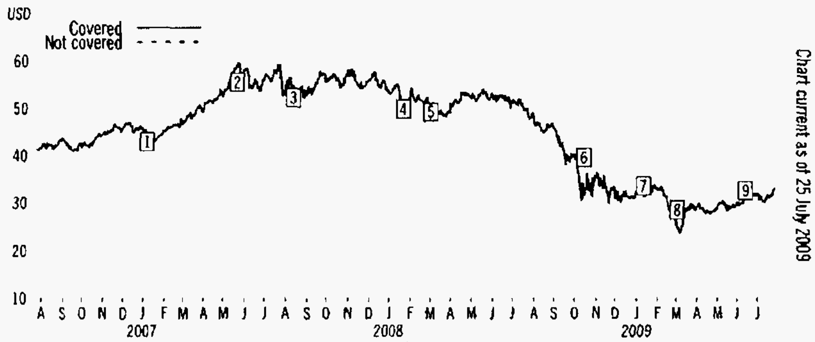
Date	Rating	Target Price	Closing Price
1 26-Oct-06	*2M	*53.00	49.76
2 31-Oct-06	2M	*54.00	51.00
3 5-Jun-07	2M	*61.50	61.34
4 2-Aug-07	2M	*65.00	59.86
5 11-Dec-07	2M	*74.00	69.14
6 22-Jan-08	*1M	74.00	60.87
7 15-Oct-08	*2M	*45.00	37.49
8 20-Jan-09	2M	*52.50	49.80
9 1-May-09	2M	*54.00	56.05
10 12-Jun-09	2M	*58.00	57.39

* Indicates change

Rating/target price changes above reflect Eastern Standard Time

Edison International (EIX)

Ratings and Target Price History
Fundamental Research
Analyst: Brian Chin



Date	Rating	Target Price	Closing Price
1 5-Jan-07	2M	*43.00	43.98
2 20-May-07	2M	*58.00	58.86
3 13-Aug-07	2M	*60.00	54.88
4 22-Jan-08	*1M	*59.00	49.70
5 2-Mar-08	1M	*57.00	49.40
6 15-Oct-08	1M	*40.50	31.36
7 11-Jan-09	1M	*37.00	31.81
8 3-Mar-09	1M	*33.00	24.84
9 12-Jun-09	*2M	*35.00	32.49

* Indicates change

Rating/target price changes above reflect Eastern Standard Time

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Citi Investment Research Global Fundamental Coverage	41%	38%	21%
% of companies in each rating category that are investment banking clients	46%	45%	39%

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Investment ratings are determined by the ranges described above at the time of initiation of coverage, a change in investment and/or risk rating, or a change in target price (subject to limited management discretion). At other times, the expected total returns may fall outside of these ranges because of market price movements and/or other short-term volatility or trading patterns. Such interim deviations from specified ranges will be permitted but will become subject to review by Research Management. Your decision to buy or sell a security should be based upon your personal investment objectives and should be made only after evaluating the stock's expected performance and risk.
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Citigroup Global Markets Inc	*Brian Chin*

OTHER DISCLOSURES

The subject company's share price set out on the front page of this Product is quoted as at 27 July 2009 04:00 PM on the issuer's primary market.

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ADDITIONAL INFORMATION IS AVAILABLE UPON REQUEST

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To: NEIL Member Representatives

From: Richard G. White

Date: December 12, 2008

Re: Distributions to Policyholders

From a financial standpoint, NEIL experienced a very difficult year during 2008. Performance was driven by both negative investment portfolio returns and unfavorable underwriting results. These factors caused projected Surplus, after distributions, to decrease to approximately $3 billion at year-end. Therefore, the Board of Directors has declared a distribution of $175 million for 2008 to be paid on Monday, March 30, 2009, subject to no material changes in NEIL's financial position prior to year-end.

Because of the investment market volatility, there is greater risk than usual that the distribution may be diminished and, therefore, the Board will confirm the final amount of the distribution once the decision is finalized on December 31. Any distribution will be paid to Members of record as of December 31, 2008.

Consistent with past practice, distributions will be reduced for any premiums due April 1 in order to minimize the level of investment liquidations necessary to fund the payment.

Finally, the Board wanted to explicitly communicate expectations for distributions over the next several years. As always, the Board will assess the appropriate level of future distributions based on the strength of NEIL's financial position. Near term distributions are not expected to exceed the 2008 level and poor financial performance could result in no distribution being paid to Members. Our focus will be on replenishing the Surplus to support our fundamental insurance mission.

If you have any questions, please feel free to contact me at 302-573-2237.

We at NEIL offer you best wishes for a happy holiday season and a prosperous New Year.

R. G. White

Richard G. White
Senior Vice President and CFO

C: Insurance Advisory Committee
Board of Directors
NEIL Leadership Team

JUNE 2009 NEWSLETTER

THE Members' Newsletter

Volume #2
June 2009

Board of Directors Meeting

The Board of Directors met for its quarterly meeting on June 11, 2009 and received reports on recent activities and current projects. An update was provided on the Company's strategic risk assessment, a review of the "NEIL financial equation" as it relates to the Membership, an analysis of the Company's current and historic insurance loss ratios, an assessment of potential generic implications to NEIL's insurance risk from the recent D. C. Cook turbine failure, and a review of NEIL's Leadership Development Program.

Other reports included the internal audit process, a review of the reinsurers supporting the Company's nuclear reinsurance treaty, and an update on the Company's real estate investments. The Board approved a charter for the Board Executive Committee, which meets infrequently.

The Board discussed the Company's financial status and the continuing investment uncertainty. It concluded that increasing surplus to reach the target surplus range was the Company's paramount financial objective and thus the prospects for a distribution in 2009 depended quite substantially on 2009 financial performance. Absent a very strong investment market for the balance of 2009, the Board's view is that a distribution for the year is unlikely.

Annual General Meeting

On June 12, 2009 NEIL's Members convened for the Company's Annual General Meeting in Bermuda. The AGM was well attended and productive. At the meeting, the Members

- Approved and accepted the Company's 2008 Audited Financial Statements;
- Agreed that the maximum number of Directors will be 17;
- Elected three new Directors, re-elected five Class II Directors and confirmed the interim appointment of one Director;
- Approved the proposed compensation for the Directors;
- Delegated to the Board the Members' authority to declare a Distribution at the end of 2009;
- Appointed Deloitte & Touche as the Company's Auditor for 2009; and
- Approved proposed changes to NEIL's Bye-Laws.

The Guest Speaker at the AGM was Josh Martin, who retired from NEIL's Board as of the June Meeting. He shared great insights from his nine-year Board tenure. The Members also received presentations from Marv Fertel, CEO of NEI, and Jim Ellis, CEO of INPO. Each gentleman gave an overview of current activities at their respective entity and discussed the major topics of interest to the nuclear industry.

(continued on next page)

From My Perspective

I recently had an unanticipated opportunity to listen to a presentation given by John Beckett, a well respected CEO who has written several very successful business books. He discussed leadership in challenging times and focused on four precepts that he believes can make such leadership effective. The precepts discussed by Mr. Beckett are poignant to NEIL, and I provide my thoughts on how NEIL is doing with respect to them.

The first suggestion from Mr. Beckett is to lead with **perspective**. Over the last 18 months it would have been easy for NEIL to waiver from its long-term view by the extreme investment and claims volatility that we have experienced. We did not. We continued to look long-term, but took some focused and measured short-term actions to address significant issues without compromising that perspective. During this time, it is important for everyone to recognize that volatility is part of our business and that we need to maintain perspective beyond one-year periods to appropriately evaluate trends and plans.

The second precept is **perseverance**. We have used this term before when discussing NEIL, and I believe it remains a strong character trait for the Company. The work over the last year by NEIL's Leadership Team, staff, and the Member Advisory Committees shows that we have kept our collective focus on what is important for the Company's ongoing effectiveness. This trait is also visible in the theme for the 2008 Annual Report – The Strength to Endure. Despite the turbulence of the last year, NEIL remains a strong company that can endure substantial challenges.

The third measurement is whether we are acting with a **purpose**. On this, I refer everyone to the multi-year Strategic Plan recently distributed to our Members. Our Vision, Mission, and Strategic Goals reflect a clear understanding of the Company's purpose.

The fourth question is whether we are being **prudent**. Perhaps the most notable lesson from the turbulence over the last 18 months is that Company management needs to understand, from an integrated standpoint, the risks the Company faces and to recognize the value of acting prudently. This lesson reinforced a direction we were already headed within the Strategic Planning process, and the development of a new component of our Strategic Plan – an explicit risk philosophy. This new aspect of our Strategic Plan will help us to better appreciate and manage the risks facing NEIL and recognize the prudent choice to navigate through those risks. The Company's commitment to prudence is reflected both in the new statement of Risk Philosophy and in the approach to the current investment uncertainties with the resulting caution in the prospects of a 2009 distribution.

As we move forward in implementing the new Strategic Plan, the lessons learned during these recent challenging times will only help us.

David B. R[illegible]

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The Members also received reports on various NEIL business matters, including a detailed presentation on the Company's new Strategic Plan.

The revisions made to NEIL's Bye-Laws are intended to bring them more in line with current regulations and best practices within Bermuda. These revisions do not change any benefits to, or obligations of, the Members, but some will streamline governance issues for the Board.

Board Elections

At the Annual General Meeting, the Members elected the following nominees to the Board of Directors:

W. Paul Bowers
Executive Vice President & CFO
Southern Company

Donald E. Brandt
Chairman, President & CEO
Pinnacle West Capital Corporation

Theodore H. Bunting, Jr.
SVP & Chief Accounting Officer
Entergy Corporation

Francisco Martínez-Córcoles
Director General
Iberdrola Generación S.A.

James H. Miller
Chairman, President & CEO
PPL Corporation

Robert P. Restrepo, Jr.
Chairman, President & CEO
State Auto Financial Corporation

William B. Timmerman
Chairman, President & CEO
SCANA Corporation

Larry L. Weyers
Chairman, President & CEO
Integrys Energy Group, Inc.

Ruth M. Whaley
Managing Director & CRO (Retired)
MBIA, Inc.

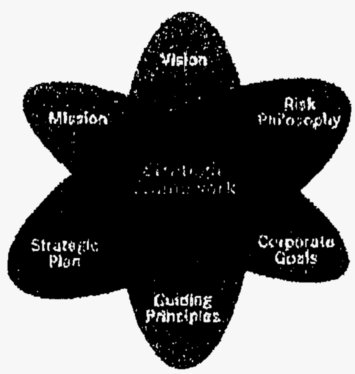
Messrs. Bowers, Brandt and Restrepo were elected to their first term as Directors. Mr. Miller was appointed to the Board in December 2008 to fill a vacancy, and the other nominees were up for re-election as Class II Directors. Gale Klappa will continue as Chairman and David Christian of Dominion Nuclear was appointed Vice Chairman. The full Board roster is located on the last page of this newsletter.

We congratulate everyone on the election and appointments.

NEIL's Directors, Leadership Team and staff thank Josh Martin and Tom O'Flynn for their service to the Company. Mr. Martin reached his ninth consecutive-year limit for serving on the Board, as he has been on the Board since June 2000. Mr. O'Flynn recently retired from the NEIL Board as a result of his retirement from PSEG. We wish them both well for the future.

Strategic Plan

Through 2008 and 2009, NEIL's Leadership initiated an in-depth strategic planning process that focused on updating and refining the Company's strategic direction. The effort involved a wide range of participants including a Board Strategic Planning Committee (SPC), the Board of Directors as a whole, associates from Oliver Wyman and NEIL Leadership and staff.



The strategic framework, depicted above as an atom structure, is designed to illustrate that no one part is greater than the others in defining the Company's overall strategic direction, and that their inter-relationship is crucial.

The primary objectives of the planning process were to:

- Review and update the Vision, Mission, and Strategic Goals;
- Develop and institute a Risk Philosophy statement and supporting metrics;
- Incorporate input from the current business environment;
- Conduct long-range financial modeling and scenario analysis; and
- Identify and prioritize business opportunities.

The identification of these objectives was accomplished through a series of discussions surrounding financial feasibility, strategic importance, core competency, and communication.

During this planning process, the concept of a formalized Risk Philosophy was introduced. Risks are present in everything we do, and the importance of understanding and managing those risks is critical to business success. For this reason a formal statement of tolerances toward decision making and risk taking was developed. It not only includes financial metrics important to support business planning, but also relevant non-financial metrics. Formalized approaches to managing risk are becoming increasingly standard practice in the commercial insurance sector, and to some extent, in the North American and European energy sectors as well.

A more detailed summary of the elements of this framework was prepared as part of the communication process and has been distributed to the Members and appropriate industry groups. The new strategic plan is also available on NEIL's website.

Insurance/IAC News

Since the last report to the Board in March, the Insurance Advisory Committee held its Spring meetings on April 1 and 2. The Executive Committee is next scheduled to meet on June 23 and the full IAC on October 8.

The Policy Coverage Task Force continues to assess the exposure Members may have to outages due to Accidental Property Damage to uninsured or non-owned property. During a March meeting, the Task Force concluded that any potential extension of coverage should be limited to outages related to a loss of plant cooling water. Additional analysis is required to evaluate whether such coverage should be offered and to assess appropriate premiums and terms.

The Underwriting and Premium Structure Task Force has received an update from ABS Consulting on the sites that had been visited in conjunction with the earthquake and flood analysis. (continued on next page)

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Revised expected-loss forecasts were reviewed, and the Task Force reviewed and affirmed its prior conclusions related to premium adequacy in the Accidental Outage (NEIL I), Excess (NEIL II), and Primary Program for perils other than earthquake and flood.

The Task Force also reviewed expected loss forecasts and historical loss ratios as they relate to NEIL's budgeting and planning processes. The Task Force will meet again with ABS Consulting to review earthquake and flood modeling results, and expects to present a recommendation to the full IAC at the October meeting.

The Credit and Penalty Review Task Force is currently reviewing the existing "should" penalty/credit structure in the Primary Property and the Accidental Outage programs. The Task Force is working toward the development of a risk assessment process for "should" recommendations similar to that which was done for the SHALLs. A draft framework for a risk evaluation matrix that could be used for the "should" program is expected to be completed around mid-year.

The Builders' Risk Task Force recently completed final revisions of a draft builders' risk policy form. An earlier draft had been used in discussions between NEIL staff and potential participants from the commercial market that have expressed an interest in reinsuring the program. The Task Force presented an overview of the draft policy terms and conditions and proposed program structure to the full IAC in April. The IAC endorsed the proposed structure, and the draft policy form has been submitted to the Policy Forms Task Force for review.

The IAC Governance Task Force completed its review of the IAC Bye-Laws and presented recommended changes to the IAC at the April meeting, where they were approved.

The Policy Forms Task Force continues to coordinate reviews of proposed policy language changes and recently completed its review of modifications required to implement a Functional Total Loss payment cap and clarification on coverage for Land. The Task Force is currently reviewing the draft builders' risk policy form.

At the April meeting, the IAC endorsed the following proposed changes for consideration by the Board, which were approved:

- Implement a cap on the payments for Functional Total Loss (FTL). The changes include a provision in the Conditions Section of the NEIL II policies that impose an annual maximum limit on claims payments for the first several years following a full-limit loss. FTL payments would be capped at $350 million per year for the first five years after the loss. Subsequent payments would not be subject to a cap and would be made in accordance with the policy terms and conditions. The cap would not apply to decontamination and stabilization costs.

- Clarify policy language as it relates to coverage for Land in the Primary policy to cover only decontamination, except for intake and discharge canals that are within the description of the property covered under Item 7 of the Declaration of the policy.

Loss Control/EAC News

The Engineering Advisory Committee (EAC) has not met since March. The Executive Committee of the EAC met on June 23 and included a joint session with the Executive Committee of the Insurance Advisory Committee. The Executive Committee is also scheduled to meet on August 11 and the full EAC on August 12.

The Boiler & Machinery (B&M) Subcommittee continues to participate in the Loss Control Standards Technical Review Pilot Program. NSO's B&M Loss Control Representatives have been reviewing the Standards section on Transformers for possible changes that would align the B&M Loss Control Standards with current operating practices and technology. At a December 2008 Subcommittee meeting, NSO staff members presented 11 proposed changes to the B&M Loss Control Standards, with half being reviewed in December and the rest being reviewed during a May Subcommittee meeting. The proposed changes will be presented to the full EAC for review once all of the proposals have been approved by the Subcommittee. The Subcommittee is also continuing its comprehensive review of the various B&M related credits and penalties that are used in the plant rating and premium calculations.

The Property/Fire Protection Subcommittee reviewed two proposed changes to the Property Loss Control Standards recommended by the Natural Hazards Task Force, referring one back to the Task Force for further review and the other to the EAC Executive Committee for action. Following recommendations by the Members and the NSO staff, the Subcommittee also reviewed and approved changes to the Property Loss Control Standards in the areas of fire system impairments, fire system valve maintenance, and the Construction Period Loss Control Standards.

As part of the Loss Control Standards Review Pilot Program, the Property Loss Control Representatives reviewed the Standards sections pertaining to water supplies. The review resulted in a complete rewrite and reorganization of the five sections involved. During the December 2008 and May 2009 Subcommittee meetings, the members completed the review and approval of the proposed changes. All proposed changes will be presented to the full EAC for review during the August meeting.

Loss Control staff are continuing to move ahead on a project to conduct a top down review of the Loss Control Standards. A pilot program was conducted for selected Standards to verify the methodology developed for the review program. Since the pilot program has been completed, NSO is taking time to review the amount of manpower it took to complete the pilot program, establish project milestones, and a final completion date for full review. The EAC established an advisory task force to support this project.

NEIL's annual Plant Contact Workshop will be held on August 26 and 27 in Atlanta, GA. This year's workshop is intended for plant staff personnel who are primary points of contact with NEIL's Property Loss Control Representatives during in-plant evaluations.

Legal/LAC News

The Legal Advisory Committee (LAC) most recently met on May 13 via WebEx and conference call. The Committee received an update on recent NEIL activities, discussed the Committee's Bye-Laws, and discussed the preliminary plans for the next Legal Counsel Conference. Regarding the LAC Bye-Laws, the Committee agreed to make technical changes to clarify term limitations for Committee members and clarify the language addressing member terms and election of the Chair and Vice Chair. The Committee also discussed the structure of the Committee to ensure that NEIL's Membership is broadly represented within the Committee. (continued on next page)

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Members of the Committee continue to participate in the IAC's Builders' Risk Task Force, which has been reviewing the issue of how the Company can best participate in the insurance needs for those Members looking to build new nuclear plants. Also, the Company is currently forming a joint IAC/LAC Task Force to review the Dispute Resolution Provisions that appear in the Company's nuclear insurance policies and Bye-Laws. The Task Force will be reviewing these Provisions, in part, from a lessons-learned perspective based on the recent claims that were in dispute.

A date for the next Committee meeting has not been scheduled, but is likely to take place in the fourth quarter of 2009. The focus will be on the upcoming Legal Counsel Conference to be held in conjunction with the IAC meeting the week of April 12, 2010, in Miami, FL.

International News

For the past several months we have been dealing with increased international interest in the mutual. This degree of activity, which is beyond the normal level of interest seen, may be related to the volatility being experienced in the financial markets.

Enquiries for our support of international pools has continued, as well as specific requests from a number of international utilities. Our immediate focus going forward will be to see how we can effectively engage with EDF. Beyond that, we have confirmed a willingness to engage in discussions on a non-Member basis with the Canadians. At this point in time, we do not see any value to the Membership in pursuing any significant developments beyond these two opportunities.

The Energy School

NEIL, OIL and EIM are again sponsoring the 2009 Energy School program, which will be held at St. Joseph's University in Philadelphia, Pennsylvania on October 25-30. Registration for the Members of NEIL, EIM and OIL will officially open on August 1.

Official registration is scheduled to begin sometime in early August and will be available through the St. Joe's Haub School of Business website which may be accessed by clicking on the following link:

http://www.sju.edu/energyschool

The program is targeted for risk management professional staff and promises to be an intensive and highly interactive program, robust with relevant topics and interesting speakers. NEIL encourages its Members to consider sending someone from their staff. Registration is capped at 30 so please make arrangements as soon as possible if you would like to have someone from your company attend. Additional detail including logistics and cost will be posted on the Energy School website as it becomes available.

Staff News

NSO recently hired three new Loss Control Representatives: Marcelo Catugas, Chuck Bruce, and Shannon Burke.

Marcelo and Shannon have been brought in as Boiler & Machinery LCRs and Chuck as a Property/Fire LCR.

Marcelo has a Bachelor of Science Degree in Chemical Engineering and comes to NSO from a small stationary power plant where he was Chief Engineer.

Shannon has a Bachelor of Science Degree in Mechanical Engineering and comes to NSO from Florida Power & Light Company where she worked in their Corporate Licensing Group.

Chuck previously worked at Exelon's Limerick Station, where he was the Systems and Programs Fire Protection Engineer.

Upcoming Meetings

EAC Mtgs
August 11-12, 2009
St. Paul, MN

Property Plant Workshop
August 26-27, 2009
Atlanta, GA

NEIL Board & Committee Mtgs
September 10-11
Williamsburg, VA

Leadership Team

David B. Ripsom
President & CEO
302 888-3009 / dripsom@nmlneil.com

Richard G. White
Sr. Vice President & CFO
302 573-2237 / rwhite@nmlneil.com

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Vice President & CIO
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Vice President - International
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Insurance	302 888-3008
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ONEIL Mailing Address:
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Ballsbridge
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Managing Director - Thomas G. Tannion
Telephone 011 353-1-637-5351
Fax 011 353-1-637-5359

Financials & Investments

		Mar 31, 2009		Dec 31, 2008
Assets	$	3,930,202	$	3,974,418
Liabilities	$	966,649	$	900,215
Policyholders' Surplus	$	2,963,553	$	3,074,203
		Three Months Ended Mar 31,		
		2009		2008
Underwriting (Income)	$	22,448	$	23,810
Net Investment (Income)	$	9,333	$	88,648
Net (Income)	$	20,658	$	76,471
Comprehensive (Loss)	$	(110,650)	$	(166,464)

The total fund return for the quarter ending 03/31/09 was -6.1%. It is somewhat unusual to provide investment performance updates based on partial quarter experience, but the remarkable market recovery that began in March and has persisted through the middle of June merits special consideration. With two weeks remaining in the second quarter, NEIL's portfolio has fully recovered its losses from the first quarter, and we estimate a return for the year to date of about 1.5%.

Economic growth as measured by GDP is down sharply from the fourth quarter of 2008, but there is some evidence that the decline is decelerating, and that the economy is beginning to stabilize. Strengthening of the fragile banking sector is particularly noteworthy, although it will be a long time before easy access to credit on favorable terms returns to many of those who are most in need. Consensus belief that the economy is poised to recover has supported a strong equity market rally worldwide, and a significant narrowing of spreads in most credit markets. Perversely this improved economic outlook has contributed to a steepening of the yield curve. Since the end of December, long Treasury bond rates have risen by nearly 2%. Rates for intermediate maturities have risen by significant, but lesser amounts. Higher interest rates work against Government efforts to stimulate the economy.

Claims

		Quarter Ended Mar 31, 2009		Year Ended Dec 31, 2008
Outstanding Reserves	$	509,149,000	$	564,421,000
Loss/LAE Payments	$	83,256,000	$	166,469,000
Losses Incurred	$	27,954,000	$	457,902,000

As of May 1, 2009 the Company had 12 nuclear claims and 127 non-nuclear claims open.

Total nuclear claims reserves at May 1 were $325.5 million, with indemnity and LAE payments totaling $87.5 million since January. Since January 1, 1 claim was opened and 5 closed, leaving 12 open as of May 1, 2009. The single new nuclear claim involves Entergy's River Bend Station suffering damages from Hurricane Gustov on September 1, 2008. An investigation is underway.

For Member non-nuclear and non-Member claims, reserves at May 1 were $169 million, and indemnity and LAE payments totaled $10 million since January. Also, since January 1, 14 claims were opened and 10 claims were closed, leaving 127 open as of May 1, 2009. Ameren's Taum Sauk dam failure claim continues to be an active claim file, both on the liability and property sides.

Overall, adjustment of the D. C. Cook claim continues to be the highest priority for the Claims Department. Repairs to fix the damages to the low pressure turbine exhaust hoods are currently on the critical path and difficulties associated with these repairs have caused the restart schedule to be extended from September until as early as October 2009 at reduced power.

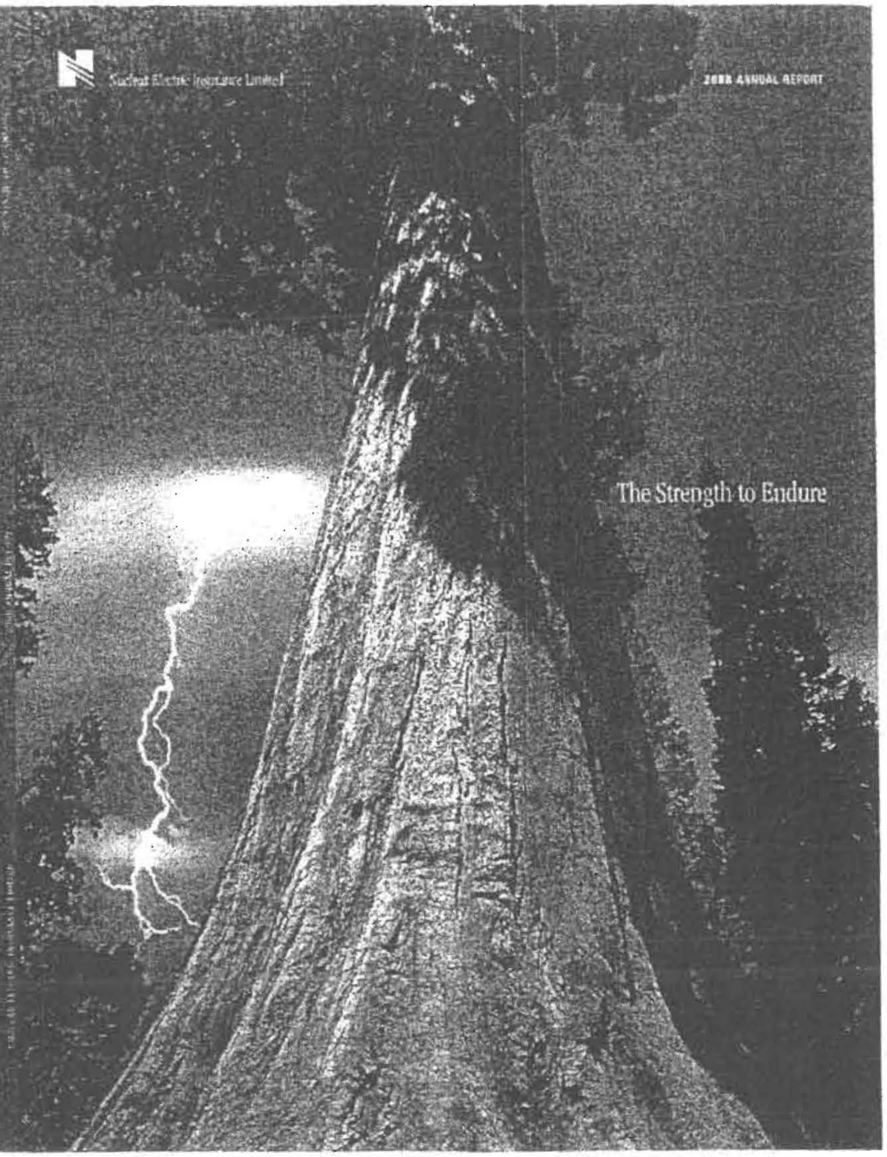
Board of Directors

2008 ANNUAL REPORT

NEIL, located in Wilmington, Delaware, insures domestic and international nuclear utilities for the costs associated with accidental interruptions, damages, contamination and related nuclear risks. NEIL was founded in 1973 with the formation of Nuclear Mutual Limited (NML) in Bermuda. NML was formed by a group of U.S. electric utilities as an alternative to the commercial nuclear insurance market. Nuclear Electric Insurance Limited (NEIL) was formed in 1980 to issue excess property and accidental outage policies to complement the policies being issued by NML. In 1988, both companies moved their operations from Bermuda to Wilmington, Delaware, and, in 1997, NML was merged into NEIL. In 1999, the Company expanded operations by launching Overseas NEIL Limited (ONEIL) in Dublin, Ireland.

Nuclear Electric Insurance Limited

Overseas NEIL Limited



DOCKET NO. 080677-EI AND DOCKET NO. 090130-EI
DECEMBER 12, 2008, NEIL LETTER
KIM OUSDAHL
LATE FILED EXHIBIT NO. 8, PAGE 10 of 33

FINANCIAL HIGHLIGHTS

STATEMENT OF OPERATIONS	2008	[illegible]	[illegible]
[illegible]	$219,882	[illegible]	[illegible]
[illegible]	457,902	[illegible]	[illegible]
[illegible]	24,503	[illegible]	[illegible]
[illegible]	(342,294)	[illegible]	[illegible]
[illegible]	(604,817)	[illegible]	[illegible]
[illegible]	175,000	[illegible]	[illegible]
[illegible]	(275,565)	[illegible]	[illegible]
[illegible]	(504,254)	[illegible]	[illegible]
[illegible]	(403,000)	[illegible]	[illegible]
[illegible]	(907,344)	[illegible]	[illegible]
BALANCE SHEET			
[illegible]	$3,974,418	[illegible]	[illegible]
[illegible]	900,215	[illegible]	[illegible]
[illegible]	3,074,203	[illegible]	[illegible]

CONTENTS

080677 Hearing Exhibit - 00001836

The Strength to Endure does not develop instantly or happen on its own.

It requires focus and hard work over time.

In 1973, this mutual enterprise began with $10 million in capital, writing its initial policies with limits of $100 million. Any significant claim in the first years would have required a substantial retrospective premium payment by the Membership. From those humble beginnings, we continued to work hard, building our strength.

JOSHUA W. MARTIN III
VICE CHAIRMAN

GALE E. KLAPPA
CHAIRMAN

DAVID B. RIPSOM
PRESIDENT & CEO

Thirty-five years later, 2008 brought about events that would have seriously threatened our enterprise back in those early years. The downturns in the global economy and stock markets affected our own investments, causing a loss of approximately 20%, or about $960 million.

Another challenge this past year was a dramatic increase in claims. We incurred almost $460 million in claims, more than double any previous year, largely related to the D. C. Cook turbine loss, which will be our single largest loss ever.

Despite these difficulties, we still declared a $175 million distribution to our Membership and maintained a surplus of more than $3 billion. The ability to weather that financial buffeting, and pay that distribution, is a direct result of the financial strength built up by NEIL over its history. The 2008 distribution was less than we had budgeted and less than we have paid in each of the last 15 years. However, it reflected a thoughtful balance among the 2008 distribution commitment, maintaining ongoing financial strength and the prospect of paying future distributions in a very uncertain investment market. Honoring the Company's insurance mission is our fundamental job and our confident focus amidst these financial pressures. At the same time, the 2009 decision as to the amount of policyholder distribution will depend even more heavily than usual on our underwriting and investment results given our current level of surplus.

The NEIL Board of Directors and Leadership Team have charted the financial direction of the Company. We've insisted on growing NEIL's financial resources, retaining the ability to pay substantial claims, preserving very cost-effective premiums, and sharing significant distributions from our good, long-term experience. That consistent philosophy over many years was tremendously valuable in 2008. Throughout the year, we carefully sought the right investment and distribution approaches during these volatile and uncertain times. With adjustments based on today's environment, we continue to look to a longer-term investment horizon.

The opportunity to develop this substantial financial strength in turn was built upon the foundation of the important work done by NEIL's Advisory Committees. Whether it was policy coverage changes, premium adequacy, work on the loss control standards or any of a dozen other substantive topics, that Committee work has been, and continues to be, essential in building our strength. You will read more about the work of the Committees and aspects of NEIL's effective staff operations throughout this report. They include notable changes to our investment strategy, which resulted in significant savings from losses that would have otherwise occurred in the 2008 investment market. Also detailed in this report is our continuing success in reinsuring a good part of NEIL's catastrophic loss exposure, ongoing work regarding new nuclear plants, and our diversity and inclusion initiative. The NEIL staff and Leadership Team worked long, hard and well on behalf of the Membership in 2008. Their contributions were vital.

The year marked the commencement of another strategic planning cycle at NEIL. The Leadership Team and Board Strategic Planning Committee developed a revised Strategic Plan that was approved by the Board in March. It reflects the continuing focus on our nuclear mission with refinements as to how we can enhance the value of NEIL to the Membership, in both service and financial performance. The inside front cover of this report contains our revised Vision and Mission statements, as well as a new statement of Risk Philosophy. The complete Strategic Plan will be presented to the Membership at the June Annual Meeting.

2008 also marked a particularly large loss from our strong Board of Directors: Moray Dewhurst (FPL), Randy Mehrberg (Exelon and Vice Chairman of NEIL), Peter Scott (Progress Energy) and Emmanuel van Innis (Electrabel) all were very able contributors to our Board of Directors. We owe them thanks for their generous contribution of time and service to the mutual enterprise.

Fortunately, talented individuals continue to join the Board, and we are pleased with the 2008 additions of Theo Bunting, Senior Vice President & Chief Accounting Officer of Entergy Corporation; Francisco Martinez-Córcoles, Director General of Iberdrola Generacion, S.A.; James Miller, Chairman, President and CEO of PPL Corporation; and Stacey Mobley, recently retired Executive Vice President, Chief Administrative Officer and General Counsel of DuPont.

Fundamentally, NEIL is an insurance company created to write risks of low frequency that, when they do happen, can be of high severity. Several years in NEIL's recent history, particularly 2008, demonstrate the accuracy of that description. During the last five years alone, we have incurred two of our largest losses, with total claims over that time of about $860 million, while paying distributions of more than $1.2 billion.

Serving our insurance mission is what we were created to do and what we did effectively in 2008 because of the strength formed by the Membership and this mutual enterprise. Moreover, we begin 2009 still standing strong, willing and able to perform the insurance mission that our Membership has given us. As we look forward, we take comfort in the knowledge of one important fact. We have the strength to endure.

Financial Performance

OVERVIEW

2008 was a very challenging year for NEIL in terms of overall financial performance. Not only did the Company experience its worst year ever for loss experience but it also suffered through its most difficult year from an investment perspective. The combination of these two factors led to a significant decline in surplus and a subsequent reduction in the level of Member distributions relative to recent years. Despite the difficult results, however, NEIL continues to maintain a strong balance sheet in support of its core mission to the Membership.

OPERATING RESULTS

In 2008, NEIL reported net losses of $504 million compared to $130 million of net earnings in 2007. The decrease was the result of higher underwriting losses and lower investment returns relative to 2007. These factors also resulted in a comprehensive loss of $907 million in 2008, in comparison to comprehensive earnings of $77 million in 2007.

EARNINGS FROM UNDERWRITING OPERATIONS

Net premiums earned for 2008 reached $220 million, an increase of 1.7% when compared to $216 million in 2007. This increase was driven primarily by higher Member earned premiums. Loss experience was unfavorable versus the prior year as losses and loss expenses, driven primarily by a major turbine event, increased to $458 million versus $92 million in 2007. This resulted in a higher loss ratio of 208%, compared to 43% in 2007. Overall, losses from underwriting operations in 2008 reached $263 million compared to $100 million of underwriting earnings in 2007.

EARNINGS FROM INVESTMENTS

Investment portfolio returns for 2008 decreased significantly to (20.4)% from 6.3% in 2007, primarily due to very weak economic conditions and difficult financial markets during the year. This produced a loss from investments of $512 million in 2008, in comparison to $366 million of earnings in 2007.

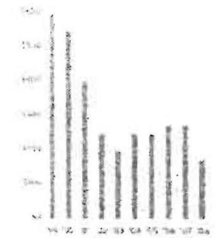
DISTRIBUTIONS

Based on the overall underwriting and investment results, and the significant reduction in surplus, NEIL recognized the need to reduce its annual policyholder distribution and, in December 2008, the Board declared a distribution to Members of $175 million. This represented a $100 million reduction from the $275 million declared in 2007.

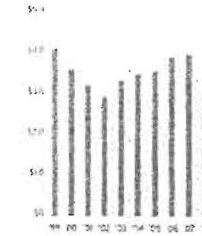
SURPLUS

A. M. Best Company reaffirmed NEIL's "A" (excellent) rating based on size and performance. As of December 31, 2008, surplus was approximately $3.1 billion, just below the lower end of the Company's target surplus range. This represented a decrease of almost 23% versus year-end 2007 surplus.

Annual Policyholders' Distribution
in millions



Policyholders' Surplus
in billions

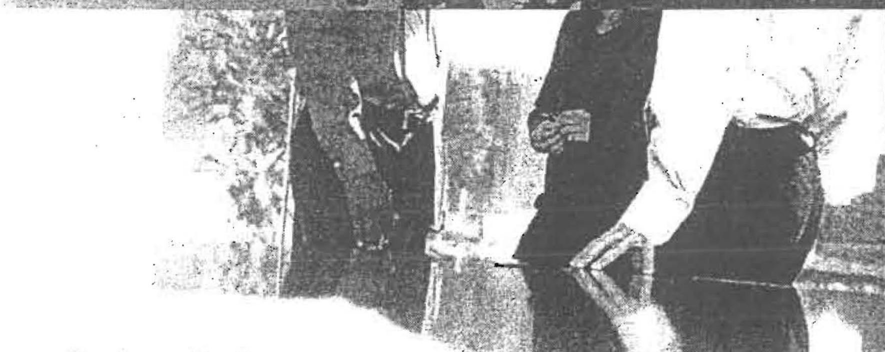


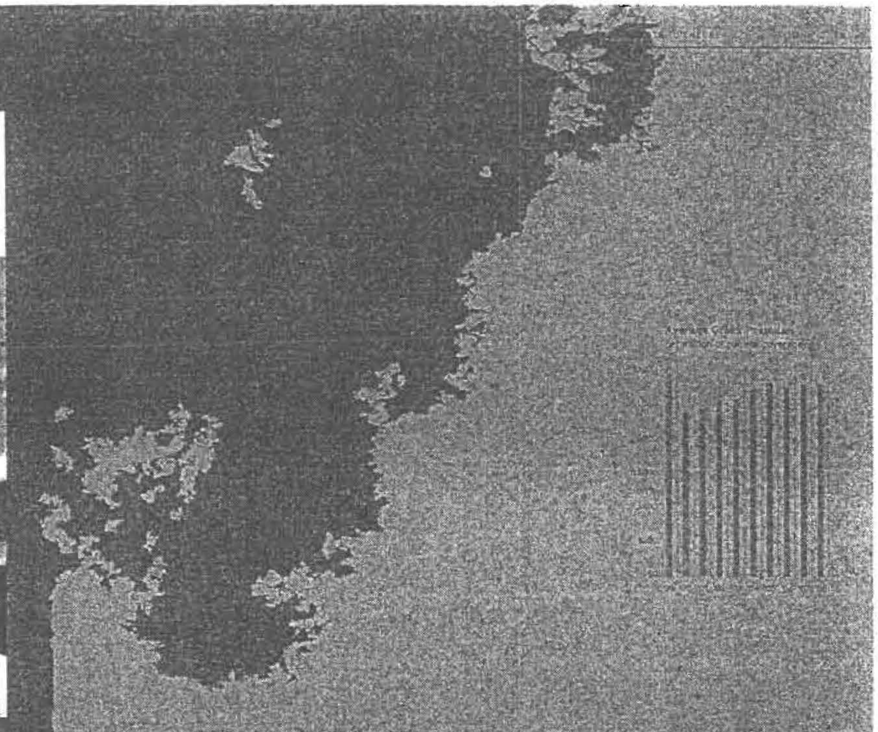
INVESTMENTS

For the year, NEIL's investment portfolio lost (20.4%), as global investment markets reflected a downturn in economic growth and increased concerns that the current recession is likely to be of greater severity and duration than most others experienced in the past. In its early stages, the weakness was largely associated with poor underwriting practices in the U.S. and U.K. residential mortgage markets and a decade of excessive investment in the housing markets in these two nations. As the year went on, these root problems spread to credit markets and then to equity and commercial real estate markets worldwide. The resulting liquidity crisis brought about numerous failures among banking and other financial services firms. Governments around the world have responded in unprecedented ways with policies and programs that have, at best, served to slow the downward spiral. NEIL's investment results reflect that environment, although a number of actions during the year were undertaken to mitigate losses.

During the first half of 2008, an asset liability study was conducted with support from Russell Investments, NEIL's investment consultant. The primary conclusion from the effort was that NEIL's portfolio strategy would benefit from the diversification offered by reducing exposure to common stocks and increasing exposure to a variety of alternative investments. In June, the Board approved a revision to the Policy Benchmark that included NEIL's first allocation to hedge funds and private equity and reaffirmed a [illegible] allocation to real estate. The policy benchmark weight to both U.S. and non-U.S. equities was reduced. During the second half of 2008, investment performance for these broad diversifying alternative asset classes was disappointing, [illegible] better than the returns that would have been achieved through investment in global equities. [illegible] mounting evidence that the economic slowdown was likely to have a profound and lasting adverse impact on the global equity markets, led to the [illegible] of [illegible] additional 10% reduction to the allocation to global equities in NEIL's Policy Benchmark. A corresponding increase in [illegible] through the introduction of an allocation to Treasury notes was also implemented. These were [illegible] by a special joint session of the Finance and Executive Committees, and the [illegible] of the portfolio [illegible] the worst of the market downturn [illegible] in the fourth quarter. [illegible] taken to [illegible] exposure in the NEIL [illegible] portfolio [illegible] saved at least $150 million.

[illegible] remained [illegible] for 2009. Consequently, [illegible] NEIL's [illegible] returns over the long term [illegible] than [illegible] has been [illegible].





Business Performance

OVERVIEW

2008 provided [illegible] company and as a mutual enterprise—a number of opportunities to demonstrate our enduring strength in the areas of business policy and operations. We all reap the rewards of having such a dedicated and talented Membership. Member activity was especially effective in efforts such as premium review and loss control. Internally, we continued to sharpen the focus on many of our business operations, including the ongoing evaluation of excess of loss reinsurance and the development of proprietary policy rating software.

INSURANCE

[illegible]

INTERNATIONAL

In the international arena, 2008 was a year of consolidation for NEIL. Our successful [illegible] efforts of the past several years have allowed for growth and expansion in a conservative and prudent manner, without any detrimental impact to the nature and character of the mutual enterprise. Ten years after the creation of the international portal to NEIL, [illegible] to almost [illegible]% of our Member [illegible] located outside of the USA. Our international strategy remains sound. In the past ten years, revenue from international sources has generated $209 million in premium to NEIL with a loss ratio of 17.3%. The underlying rationale [illegible] international presence is as sound today as it was when [illegible] to expand our involvement was first [illegible] to provide incentives for all nuclear sites to improve the excellence of their operations, to reinforce [illegible] industry, to leverage NEIL's surplus to provide even greater financial strength over time and to reduce [illegible] to all Members. Such expansion would also allow the mutual to consider evolving new coverage based on a [illegible] reference base. The turmoil in the financial markets during 2008 increased the number of [illegible] a wide spectrum of international nuclear utilities. Our primary purpose is to consider potential [illegible] opportunities — we do not pursue premium growth purely for its own sake. Consequently, [illegible] the next phase of our strategic development. Efforts in 2008 were focused on [illegible] Members and the [illegible] the number of open SHALL recommendations [illegible] minimum cost.

We have and will continue to maintain our contact and relationship with a number of international Pools, reinsurers and a variety of [illegible] toward new construction and the implementation of our second formal strategic [illegible].

LEGAL

In 200[illegible], NEIL and [illegible] Committee [illegible] Company's [illegible] Members' Legal Counsel Conference in Boston [illegible]

CLAIMS

2008 proved to be a very busy year for the Claims staff at NEIL with twelve new nuclear claims opened during the course of the year, which is a significant increase when compared to an average of five new nuclear claims opened each of the previous three years. This increase in claims activity resulted in an overall loss ratio that exceeded 208%. Of particular note, on September 20, the unit 1 reactor at American Electric Power's D. C. Cook plant was manually tripped after high vibrations and a malfunction of the main turbine caused by broken low-pressure turbine blades. A hydrogen fire in the unit 1 main generator resulted from this malfunction and all turbine generator components suffered major damage. This loss, which is expected to be the largest claim in NEIL's history, will result in NEIL making substantial payments to AEP for covered losses under both the Primary Property and Accidental Outage policies. Successful adjustment of this claim will be a major focus for the Claims staff in 2009.

In addition to the D. C. Cook loss, claims were filed related to transformer failures at three different Member sites, as well as two different claims associated with a wind storm and a flood. The Claims staff also attended various NEIL Member meetings and gave presentations and updates to the EAC, IAG, Members' Counsel, and NEIL's International Members at the in-country meeting in Spain.

2008 saw the final adjustment of the claims associated with the losses caused by Hurricanes Frances and Jeanne in 2004 and Hurricane Wilma in 2005 at Florida Power & Light's St. Lucie and Turkey Point facilities. The ultimate resolution of these four hurricane claims totaled $134 million, and subsequent to their completion, the Claims staff conducted a lessons learned review in order to identify those areas where the claims adjustment process could be improved when dealing with a significant natural catastrophe claim at a nuclear power plant.

For the year, 12 nuclear claims were opened and 8 closed. On the conventional side, 51 were opened and 59 closed. This left 16 nuclear and 123 conventional claims open at the end of the year.

LOSS CONTROL

At the core of the Loss Control Program at NEIL are the Loss Control Standards, the Engineering Advisory Committee and the Loss Control Representatives. In the 2007 Annual Report, we discussed non-compliance with SHALLs, the Standards Review Project, EAC activities and NEIL's efforts in the area of new plant construction. In 2008 progress was made on all of those fronts as we discuss below. The turbine loss at D. C. Cook that occurred in late September 2008 is likely to result in a renewed look at the Standards, how they relate to steam turbine retrofits and some elements of turbine design. Once the root cause analysis becomes available, the Engineering Advisory Committee and the NEIL Loss Control staff will look for lessons learned from this significant event.

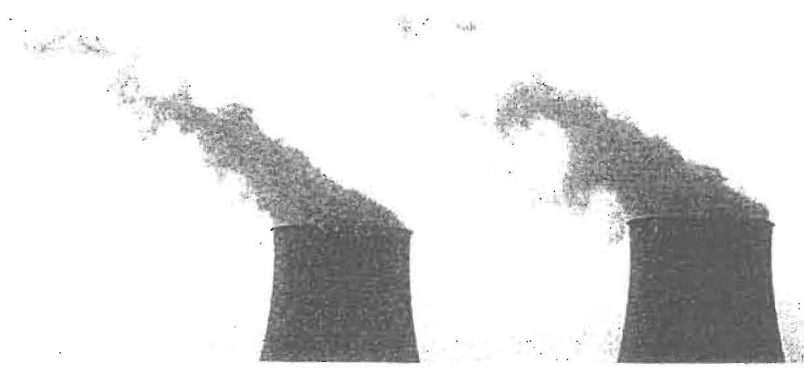
The Loss Control Program at NEIL was developed by the Membership and is implemented by Members and the Loss Control Department of NEIL subsidiary Nuclear Service Organization (NSO). The NSO Loss Control Representatives regularly verify that all Members are in compliance with the Company's Boiler & Machinery and Property Loss Control Standards. Requirements that are the minimum necessary for insurability are called SHALLs.

The process for addressing non-compliance with the SHALL Standards was made more rigorous and strengthened in 2007. Since then, there has been continued progress made toward fewer SHALLs and toward shorter durations of the SHALLs that are written. Today the number of SHALLs is only about 25% of the number that existed when the new program began and the average age is down significantly.

One of the efforts in support of decreasing the number of open SHALLs was the resolution of coverage on warehouses. The EAC and LSC worked together to effect a plan such that a sub-limit of fire related coverage is determined by the type and effectiveness of loss control measures in place. Thus, all SHALLs associated with what was previously called "High Value Warehouses" will be withdrawn as of policy renewal.

The NEIL Loss Control Standards Review Project began in earnest in 2008 with the completion of the Pilot. In early 2009 the pilot assessment review will be completed and the future direction of the project will be determined.

During 2008, NEIL's efforts in new plant construction were proactive and continuing. We have not yet written any builders' risk policies, but we have been successful in the education of various architect engineering firms, nuclear suppliers and our Members as to the requirements contained in the Standards. These all involved can incorporate those requirements into designs at a very early stage and avoid non-compliance challenges later.



Board Committees and Leadership Team

Audit COMMITTEE

Left to Right:
Theodore H. Bunting
David A. Christian
Michael G. Morris
Ruth M. Whaley
William P. Timmermann (Chair)

Finance COMMITTEE

Left to Right:
Harry J. Molloy
Katharine [illegible]
Thomas M. O'Flynn (Chair)
Ruth M. Whaley
James H. Miller
Heidi J. Steiger

Governance COMMITTEE

Left to Right:
W. Gary Gates
Gale E. Klappa (Chair)
Robert W. Martin III
Michael J. Wallace
Larry L. Weyers

Leadership TEAM

Left to Right:
Richard G. White
Gregory G. Wilks
David B. [illegible] (President/CEO)
Thomas G. [illegible]
Harry J. Phillips
Kenneth G. [illegible]
Robert N. [illegible] Jr.

INDEPENDENT AUDITORS' REPORT

Policyholders
Nuclear Electric Insurance Limited
Hamilton, Bermuda

We have audited the accompanying consolidated balance sheets of Nuclear Electric Insurance Limited and Subsidiaries (the "Company") as of December 31, 2008 and 2007, and the related consolidated statements of operations and comprehensive (loss) earnings, cash flows, and changes in policyholders' surplus for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Nuclear Electric Insurance Limited and Subsidiaries as of December 31, 2008 and 2007, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Philadelphia, Pennsylvania
April 10, 2009

NUCLEAR ELECTRIC INSURANCE LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

YEARS ENDED DECEMBER 31, 2008 AND 2007 *(In thousands of U.S. Dollars)*

ASSETS	[redacted]	2007
Investments:		
Fixed maturities, at fair value		$1,648,271
Equity securities, at fair value		2,640,031
Short term investments		197,799
Alternative investments, at fair value		403,926
Total investments		4,890,027
Cash		20,695
Accrued interest receivable		16,054
Amounts due from policyholders		7,982
Income taxes receivable		–
Deferred income taxes, net		–
Prepaid expenses and other assets		262,141
		$5,196,899
LIABILITIES AND POLICYHOLDERS' SURPLUS		
Liabilities:		
Unpaid losses and loss adjustment expenses		$ 272,987
Unearned premiums		82,266
Deferred income taxes, net		275,252
Distribution payable to policyholders		275,000
Accounts payable, accrued expenses and other liabilities		309,847
Total liabilities		1,215,352
Commitments and Contingencies (Notes 5 and 11)		
Policyholders' surplus:		
Reserve fund		$ 250
Accumulated other comprehensive earnings		664,890
Surplus		3,316,407
Total policyholders' surplus		3,981,547
		$5,196,899

See notes to consolidated financial statements

NUCLEAR ELECTRIC INSURANCE LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) EARNINGS

YEARS ENDED DECEMBER 31, 2008 AND 2007 *(In thousands of U.S. Dollars)*

	[redacted]	2007
Premiums earned		$ 190,596
Reinsurance premiums assumed		61,703
Reinsurance premiums ceded		(36,079)
Net Premiums Earned		216,220
Losses and loss adjustment expenses		91,844
Administrative expenses		22,652
Commissions		1,777
Total underwriting expenses		116,273
(Loss) Earnings from Underwriting Operations		99,947
Investment income		198,775
Equity in (loss) earnings of alternative investments		15,128
Realized (losses) gains, including impairments, net		162,901
Investment expenses		(10,983)
(Loss) Earnings Before Distribution to Policyholders and Income Taxes		465,768
Distribution to policyholders		275,000
(Loss) Earnings Before Income Taxes		190,768
Income tax (benefit) expense		60,550
Net (Loss) Earnings		130,218
Other Comprehensive (Loss) Earnings, Net of Income Taxes		
Net foreign currency translation adjustment (net of income taxes of $(14,519) in 2008 and $1,895 in 2007)		3,520
Net unrealized (losses) gains arising during the period (net of income taxes of $(358,072) in 2008 and $26,568 in 2007)		49,341
Less: Reclassification adjustments for (losses) gains included in net (loss) earnings (net of income taxes of $(149,247) in 2008 and $57,015 in 2007)		105,886
Total unrealized losses arising during the period		(56,545)
Other Comprehensive Loss, Net of Income Taxes		(53,025)
Comprehensive (Loss) Earnings		$ 77,193

See notes to consolidated financial statements

NUCLEAR ELECTRIC INSURANCE LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2008 AND 2007 *(In thousands of U.S. Dollars)*

OPERATING ACTIVITIES	[redacted]	2007
Net (loss) earnings		$ 130,218
Adjustments to reconcile net (loss) earnings to net cash used in operating activities:		
Realized losses (gains), including impairments, net		(162,901)
Amortization/accretion of premiums and discounts on investments		1,317
Equity in (earnings) losses of alternative investments		(15,128)
Changes in assets and liabilities which (used) provided cash:		
Accrued interest receivable		(59)
Amounts due from policyholders		2,793
Prepaid expenses and other assets		(220,637)
Unpaid losses and loss adjustment expenses		24,226
Unearned premiums		(2,495)
Income taxes receivable		–
Accounts payable and accrued expenses		238,976
Increase (decrease) in deferred income taxes, net		(38,198)
Distribution to policyholders—declared		275,000
Payment of policyholders' distributions		(275,000)
Total adjustments		(172,156)
Net cash used in operating activities		(41,938)
INVESTING ACTIVITIES		
Proceeds from sales/distributions of investments:		
Fixed maturities		$ 3,768,125
Equity securities		2,084,595
Alternative investments		54,749
Short term investments		1,233,182
Maturities of investments—fixed maturities		202,896
Purchases of investments:		
Fixed maturities		(4,053,592)
Equity securities		(1,701,023)
Alternative investments		(261,551)
Short term investments		(1,286,347)
Net cash provided by investing activities		41,034
NET INCREASE (DECREASE) IN CASH		(904)
CASH		
Beginning of year		21,599
End of year		$ 20,695
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest		$ (7)
Cash paid during the year for income tax		$ (85,861)
Actual change in cash balance		$ (904)

See notes to consolidated financial statements

NUCLEAR ELECTRIC INSURANCE LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN POLICYHOLDERS' SURPLUS

YEARS ENDED DECEMBER 31, 2008 AND 2007 *(In thousands of U.S. Dollars)*

			Accumulated Other Comprehensive Earnings		
	Total	Surplus	Foreign Currency Translation	Unrealized Gains and Benefit Obligations	Reserve Fund
Balance, January 1, 2007	$3,904,354	$3,186,189	$ 33,329	$ 684,586	$250
Comprehensive Earnings					
Net earnings	130,218	130,218	–	–	–
Other comprehensive (loss) earnings, (net of income taxes)	(53,025)	–	3,520	(56,545)	–
Comprehensive Earnings	77,193	130,218	3,520	(56,545)	–
Balance, December 31, 2007	$3,981,547	$3,316,407	$ 36,849	$ 628,041	$250
[redacted]					

See notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2007 AND 2006

1. NATURE OF BUSINESS

Nuclear Electric Insurance Limited (the "Company") is incorporated under the laws of Bermuda, has its place of business in Delaware, and is a registered insurer under the Bermuda Insurance Act of 1978 and the Captive Insurance Companies Act of Delaware.

The Company insures nuclear plants and their generating units, owned by electric utilities (the "Members"), primarily in the United States, for: 1) the costs associated with certain long-term interruptions of electric generation, under the primary and accidental outage programs due to accidental physical damage to insured sites; 2) decontamination expenses incurred at such sites arising from accidental nuclear contamination; and 3) other risks of direct physical loss at such sites, including certain premature decommissioning costs under the primary and excess programs.

The Company also provides certain non-nuclear coverage to existing Members. This coverage is provided on a quota share basis, in conformity with the conventional property programs, following the terms and conditions underwritten by the Member's lead underwriter. This business is written directly and as assumed reinsurance.

The accidental outage program would pay a maximum weekly indemnity limit of $4.5 million resulting from an accidental outage at any one unit. The Company's loss exposure on any single incident at a unit is limited to 100% of the weekly indemnity for 52 weeks and 80% for the subsequent 110 weeks, up to a maximum of $490 million for any one occurrence. Optional deductibles of 8, 12, 20, or 26 weeks are available as part of this program. Under the primary program for certain policyholders, the Company's loss exposure on any single incident at a unit is limited to $3.5 million per week for 6 weeks, following a 17-week deductible period.

The primary property program provides property insurance coverage of $500 million per occurrence. The excess program provides property insurance coverage of $2.25 billion in excess of $500 million per occurrence. The excess program features an optional blanket limit structure that allows for multiple nuclear sites to share limits at reduced rates.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Principles of Consolidation

The consolidated financial statements include the Company, its wholly owned subsidiaries, Nuclear Service Organization, Inc., Delaware Risk Management, Inc., Nuclear Electric (Cayman) Limited and Overseas NEIL Limited ("ONEIL") and variable interest entities ("VIEs") for which the Company is the primary beneficiary. All material intercompany transactions have been eliminated in consolidation.

Premiums Written/Unearned Premiums

Premiums written and reinsurance premiums assumed and ceded are reflected in earnings on a pro-rata basis over the term of each policy. Unearned premiums represent the portion of premiums written which are applicable to the unexpired terms of policies in force. Unearned premiums are recorded at cost, which approximates fair value.

Investments

The Company has categorized its investments in marketable debt and equity securities as "available for sale" and has reported the portfolio at fair value with unrealized gains and losses, which include unrealized gains and losses due to foreign currency translation, net of tax, as accumulated other comprehensive earnings, a separate component of Policyholders' Surplus. Amortization and accretion of premiums and discounts on marketable securities is included in investment income. Declines in the fair value of these debt and equity securities are evaluated by management for "other than temporary impairment" as defined by Financial Accounting Standards Board ("FASB") Staff Position ("FSP") 115-1/124-1, *The Meaning of Other Than Temporary Impairment and Its Application to Certain Investments*. The Company's intent and ability to retain the investment for a period of time sufficient for an anticipated recovery is not absolute. The Company has granted that authority to its Investment Managers and does not direct the Managers' decision making. As a result, the Company considers any security in a loss position to be other than temporarily impaired. Realized investment gains and losses, computed using the specific identification cost method, are included in the determination of income.

Short term investments consist of income generating funds with maturities of less than one year in duration held within various externally managed portfolios. The income generated in these funds is included in investment income. These investments are primarily recorded at cost, which approximates fair value.

Alternative investments consist of investments in real estate, private equity and hedge funds that are either carried on the equity method of accounting as prescribed by Accounting Principles Board Opinion No. 18, *The Equity Method of Accounting for Investments in Common Stock* or in limited instances are consolidated VIE's. For real estate partnerships, the Company follows AICPA Statement of Position ("SOP") 78-9, *Accounting for Investments in Real Estate Ventures*. For investments in private equity and hedge funds, the Company follows SOP 78-9 and Emerging Issues Task Force No. D-46, *Accounting for Limited Partnership Investments*. The underlying funds qualify for specialized accounting for investment companies and carry their investments at fair value, with changes recorded in their statement of operations. The Company records the activity of its alternative investments generally on a one quarter lag due to the timing of receipt of financial information from the fund managers. At December 31, 2008, the Company's alternative investments are reported at the Company's proportional interest in the fund as of September 30, on a fair value basis consistent with the underlying fund's method of accounting, adjusted for contributions and distributions through December 31.

At December 31, 2007 for investments in real estate partnerships where financial statements were kept on the historical cost basis the Company considered additional information received from the fund manager subsequent to September 30 when determining whether to record other than temporary impairments. The fair value and book value of these investments were $229,648,000 and $210,220,000, respectively, at December 31, 2007.

Because of the inherent uncertainty of valuation, the values determined by management may differ significantly from values that would have been used had a ready market for these investments existed, and the differences could be material.

Variable Interest Entities

In the normal course of its investments activities, the Company enters into relationships with entities that could be considered VIEs, in accordance with FASB Interpretation No. 46, *Consolidation of Variable Interest Entities* (revised December 2003) ("FIN 46(R)"). A VIE is an entity that either (1) has equity investors that lack certain essential characteristics of a controlling financial interest (including the ability to control the entity, the obligation to absorb the entity's expected losses and the right to receive the entity's expected residual returns) or (2) lacks sufficient equity to finance its own activities without financial support provided by other entities, which in turn would be expected to absorb at least some of the expected losses of the VIE. If the Company determines that it stands to absorb a majority of the VIE's expected losses or to receive a majority of the VIE's expected residual returns, the Company would be deemed to be the VIE's "primary beneficiary" and would be required to consolidate the VIE. Upon consolidation of a VIE, the Company would recognize all of the VIE's assets, liabilities and non-controlling interests.

A determination of whether the Company has a controlling financial interest in an entity is initially made at the time the Company becomes involved with the entity. Certain reconsideration events may occur which cause the Company to reassess its initial determination of whether an entity is a VIE or non-VIE. If the entity becomes a VIE, the Company performs an assessment of consolidation of that entity. Those reconsideration events generally are:

- The entity's governance structure is changed such that either (1) the characteristics or adequacy of equity at risk are changed, or (2) expected returns or losses are reallocated among the participating parties within the entity.
- The equity investment (or some part thereof) is returned to the equity investors and other interests become exposed to expected returns or losses.
- Additional activities are undertaken or assets acquired by the entity that were beyond those anticipated previously.
- Participants in the entity acquire or sell interests in the entity.
- The entity receives additional equity at risk or curtails its activities in a way that changes the expected returns or losses.

Included in alternative investments are investment vehicles which are considered VIEs under FIN 46(R) and for which the Company is the primary beneficiary and over which the Company lacks the ability to exercise control, thus requiring consolidation in the Company's consolidated financial statements. The vehicles are limited liability arrangements whereby the Company is the primary beneficiary of the income generated by the underlying investments while being exposed only to its contractual dollar level of commitment to the vehicle. The consolidated entities include investments in Fund of Funds type arrangements managed by investment managers investing in private equity funds and global macro funds. The Company does not hold majority interests in any of the funds invested in by the limited liability arrangements.

Consolidated assets under these arrangements total $119,806,000 and $81,563,000 as of December 31, 2008 and December 31, 2007, respectively. Unfunded capital commitments totaled $25,000,000 and $36,000,000 as of December 31, 2008 and December 31, 2007, respectively. Included in investment income was ($4,406,000) and $1,273,000 and included in investment expense was $1,348,000 and $626,000 for the years ended December 31, 2008 and 2007, respectively. The Company's ultimate maximum exposure to loss resulting from its relationship with consolidated VIEs is limited to its contribution to the VIEs, which was $114,000,000 at December 31, 2008 and 2007.

Unpaid Losses and Loss Adjustment Expenses

Provision is made for the estimated cost of incurred losses at fair value. The provision for unpaid losses and loss adjustment expenses is determined on the basis of management estimates, based, where appropriate, on information from claims adjustors, independent consultants and other evaluations, including estimates for Incurred But Not Reported ("IBNR") losses. The methods of making such estimates and establishing resulting liabilities are continually reviewed and updated, and any adjustments resulting there from are reflected in operations currently.

Income Taxes

Deferred federal income taxes are provided for as a result of changes in the net deferred tax asset or liability for the reporting period. The tax consequences of temporary differences are recognized as either tax liabilities for future taxable amounts or tax assets for future deductible amounts. Management considers all available evidence, both positive and negative, to determine whether, based on the weight of the evidence, a valuation allowance is needed for some of or all of a deferred tax asset.

The provision for income taxes includes federal income taxes currently payable and those deferred because of temporary differences between the financial statement and tax bases of assets and liabilities.

Deferred federal income taxes are also recognized for the tax consequences of unrealized gains (losses) on investments and postretirement benefit obligations.

Statements of Cash Flows

Cash includes deposits with banks, which are generally considered part of the Company's cash management activities rather than the Company's investing activities.

New Accounting Pronouncements

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 157, *Fair Value Measurements* ("SFAS 157"), effective January 1, 2008 for financial assets and liabilities. SFAS 157 (i) defines fair value, (ii) establishes a framework for measuring fair value and (iii) expands financial statement disclosure requirements for fair value information. Under SFAS 157, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (an exit price). Fair value measurements assume the asset or liability is exchanged in an orderly manner; the exchange is in the principal market for that asset or liability (or in the most advantageous market when no principal market exists); and the market participants are independent, knowledgeable, able and willing to transact an exchange. The adoption had no material impact on the Company's consolidated financial statements.

In February 2008, the FASB issued FSP 157-2, *Effective Date of FASB Statement No. 157* ("FSP SFAS 157-2"), which permits the deferral of the effective date of SFAS 157 to fiscal years beginning after November 15, 2008 for all non-financial assets and liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis. Consistent with the provisions of FSP SFAS 157-2 the Company decided to defer the adoption of SFAS 157 for non-financial assets and liabilities measured at fair value on a non-recurring basis until January 1, 2009. In October 2008, the FASB issued FASB Staff Position ("FSP") No. 157-3, *Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active* ("FSP SFAS 157-3"), which was effective upon issuance. The Company applied the guidance of FSP FAS 157-3 in its consolidated financial statements.

On February 15, 2007 the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* ("SFAS 159"), issued by the FASB which became effective for the Company on January 1, 2008. SFAS 159 allows a company to make an irrevocable election to measure eligible financial assets and financial liabilities at fair value that are not otherwise measured at fair value. Unrealized gains and losses for these items are reported in current earnings at each subsequent reporting date. As of January 1, 2008, the Company has not elected to value any additional assets or liabilities at fair value under the guidance of SFAS 159.

In July 2006, the FASB issued FASB Interpretation ("FIN") No. 48, *Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109* ("FIN 48"), which provides criteria for the recognition and measurement of uncertain tax positions. FIN 48 requires that an uncertain tax position should be recognized only if it is "more likely than not" that the position is sustainable based on its technical merits. Recognizable tax positions should then be measured to determine the amount of benefit recognized in the financial statements. The initial provisions of FIN 48 were effective for fiscal years beginning after December 15, 2006.

On December 30, 2008, the FASB released FSP FIN 48-3, *Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises*. The FSP defers the effective date of FIN 48, for certain nonpublic enterprises, including nonpublic not-for-profit organizations, for fiscal years beginning after December 15, 2008. FSP FIN 48-3 provides a deferral of the effective date of FIN 48 for nonpublic enterprises to the annual financial statements for fiscal years beginning after December 15, 2008. As the Company is considered a nonpublic enterprise, it is eligible for deferral pursuant to FSP FIN 48-3, and has elected to defer the application of FIN 48 for the year ended December 31, 2008. The Company is evaluating the financial statement impact, if any, that adoption of FIN 48 will have on its consolidated financial statements upon adoption.

In September 2006, the FASB issued SFAS No. 158, *Employer's Accounting for Defined Benefit Pension and Other Postretirement Plans* ("SFAS No. 158"). For a postretirement benefit plan, such as a retiree health care plan, the benefit obligation is the accumulated postretirement benefit obligation. The Company adopted this statement effective December 31, 2007. The Company records the net periodic benefit cost as a component of Administrative Expenses in the Company's Consolidated Statement of Operations and Comprehensive (Loss) Earnings. The Company records and presents its accumulated postretirement benefit obligation, measured at December 31, as a component of Accounts Payable, Accrued Expenses and Other Liabilities in the Company's Consolidated Balance Sheet. The Company recorded the unfunded obligation as a component of Other Comprehensive (Loss) Earnings in the Company's Consolidated Statement of Operations and Comprehensive (Loss) Earnings at December 31, 2007. These amounts are not material to the Company's consolidated financial statements for the years ended 2008 and 2007.

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities* ("SFAS No. 161"), an amendment of FASB Statement No. 133. This statement amends and expands the disclosure requirements of SFAS No. 133 with the intent of providing users of financial statements with an enhanced understanding of the purposes for an entity using these types of instruments, the accounting under current guidance of these instruments and the effect on the financial position, financial performance and cash flows of the entity. SFAS No. 161 will be effective for financial statements issued the year ended December 31, 2009. The Company is evaluating the financial statement impact, if any, that adoption of SFAS 161 will have on its consolidated financial statements upon adoption.

3. INVESTMENTS AND DERIVATIVES

The amortized cost and estimated fair value of marketable debt and equity securities at December 31, 2008 and 2007 are as follows:

December 31, 2008 *(In thousands of U.S. Dollars)*

	[redacted]
Debt securities:	
U.S. government obligations	
Foreign government obligations	
Corporate debt securities	
Mortgage-backed securities	
Other debt securities	
Short term investments[1]	
Equity securities	

[1]Short term investments as presented in the table exclude certain short-term investments (e.g. time deposits, certain money market funds, etc.) of $261,959, which are not measured at Fair Value under SFAS 115.

December 31, 2007 *(In thousands of U.S. Dollars)*

	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Debt securities:				
U.S. government obligations	$ 125,732	$ 2,701	$ –	$ 128,433
Foreign government obligations	2,041	57	–	2,098
Corporate debt securities	528,701	6,960	–	535,661
Mortgage-backed securities	921,967	13,639	–	935,606
Other debt securities	45,166	1,307	–	46,473
	1,623,607	24,664	–	1,648,271
Equity securities	1,637,665	1,002,366	–	2,640,031
	$ 3,261,272	$ 1,027,030	$ –	$ 4,288,302

The amortized cost and estimated fair value of fixed maturities by maturity date at December 31, 2008 are as follows:

(In thousands of U.S. Dollars)

	Amortized Cost	[illegible]
Due in one year or less	[illegible]	[illegible]
Due after one year through five years	[illegible]	[illegible]
Due after five years through ten years	[illegible]	[illegible]
Due after ten years	[illegible]	[illegible]
Total fixed maturities	[illegible]	[illegible]

Gross realized gains and losses from sales of investments (including impairments of $409,527,000 and $142,908,000 during 2008 and 2007, respectively) were as follows:

(In thousands of U.S. Dollars)

	2008	2007
Realized gains	[illegible]	$ 394,784
Realized losses and impairments	[illegible]	(231,883)
	[illegible]	$ 162,901

Net unrealized appreciation (depreciation) pertaining to investments, including foreign currency translation adjustments for the years ended December 31, 2008 and 2007, is as follows:

(In thousands of U.S. Dollars)

	2008	2007
Fixed maturities	[illegible]	$ 8,181
Equity securities	[illegible]	(85,639)
Deferred income taxes	[illegible]	27,110
	[illegible]	$ (50,348)

For securities that are in an unrealized loss position, the Company has applied existing accounting guidance pertaining to the determination of whether an impairment is other than temporary. The majority of unrealized losses on fixed income securities were caused by a weaker credit market environment. Although some of the declines in market value may be immaterial on a security by security basis, given current liquidity and credit conditions, the Company considered those investments to be other than temporarily impaired at December 31, 2008 as discussed in Note 2. For equity securities, although the declines in market value may not be considered severe in nature on a security by security basis, the Company considered those investments to be other than temporarily impaired at December 31, 2008 and 2007, as discussed in Note 2. The Company recorded other than temporary impairment of investments in the amounts of $409,527,000 and $142,908,000 at December 31, 2008 and 2007, respectively. The impact on the Policyholders' Surplus would be the same if the loss was not recorded through earnings.

Any unrealized loss related to the securities written down would have already been reflected in Other Comprehensive Earnings (Loss) and Policyholders' Surplus.

The Company uses foreign currency forward contracts to limit the impact of currency fluctuations and exchange rate exposure of future sales and purchases of foreign securities. Foreign currency forward contracts are not used to leverage portfolios or for any speculative purpose. Foreign currency forward contracts receivable had a fair value of $41,498,000 and $225,319,000 at December 31, 2008 and 2007, respectively. Foreign currency forward contracts payable had a fair value of $41,380,000 and $223,014,000 at December 31, 2008 and 2007, respectively. The Company records the receivable in Prepaid expenses and other assets and the payable in Accounts payable, accrued expenses and other liabilities.

The Company uses futures contracts to manage equity and U.S. Treasury security exposures pursuant to the Company's Investment Policy. Futures contracts are not used to leverage portfolios or for any speculative purpose. Daily settlement of futures contracts totaled $28,831,000 for the year ended December 31, 2008 and is included in investment income. Total notional exposure to equity indices through futures contracts totaled $127,958,000 and $0 at December 31, 2008 and 2007, respectively. Total notional exposure to US Treasury securities totaled $121,097,000 and $0 at December 31, 2008 and 2007, respectively. The Company recorded a net liability of approximately $156,000 of net fair value in Accounts payable, accrued expenses and other liabilities at December 31, 2008.

The Company uses deferred settlement mortgages as a cost efficient way to invest in mortgage backed securities. In this approach, the investor accepts delayed settlement on the purchase of mortgage backed securities in return for a modest reduction in the price paid for those mortgage backed securities. The price differential is directly related to the fact that the investor does not enjoy the higher yield typically offered by mortgage backed securities relative to the interest rate earned on cash equivalents held for the period between normal settlement and the agreed upon deferred settlement. At December 31, 2008 and 2007, these securities had an amortized cost of $112,227,000 and $174,476,000, respectively. At December 31, 2008 and 2007, these securities had a fair value of $113,316,000 and $175,069,000, respectively. These amounts are included in Fixed maturities on the Company's Balance Sheet. During the years ended December 31, 2008 and 2007, the Company reported realized gains from these securities of $3,351,000 and $2,833,000 respectively, in accordance with SFAS No. 133.

The Company participates in a securities lending program managed by Northern Trust. The Company receives a fee from Northern Trust for the lending of securities that is shown in the Investment Income component of the Statements of Operations and Comprehensive (Loss) Earnings. As a requirement of the lending program, the borrower of securities must pledge collateral in excess of 100% of the value of the loaned securities to Northern Trust. The loaned securities are reclassified to securities pledged to creditors. Cash received as collateral is invested in high-quality short-term instruments and recorded in the Balance Sheet as an investment at estimated fair value. A liability to return the cash collateral is also recorded on the Balance Sheet as payable under securities loan agreements. Non-cash collateral is not recorded in the Balance Sheet since "effective control" criteria are not met. A fee is guaranteed to the securities borrower for the cash collateral and the company earns a profit through the retention of any investment returns earned on the cash collateral in excess of the fee guarantees. While the securities lending activities are fully collateralized, market risk arises from the possibility that a borrower of securities may be unable to return the securities if a sudden material change in the market occurs. There is minimal credit risk from the failure of counterparties to perform, since the Company receives collateral in excess of 100% of the value of the loaned securities.

During September 2008, the collateral pool which Northern Trust manages to invest the cash collateral received from borrowers of securities in its securities lending program experienced a "collateral deficiency". The deficiency was not a direct result of defaults in one or more of the investments in the collateral pool fund. Rather, it was a reflection of mark-to-market unrealized losses in a large number of positions. The portion of the deficiency attributable to the Company was immaterial to its consolidated financial statements. In response to the deficiency, Northern Trust restricted lenders (including the Company) ability to exit the program. There were no securities on loan under the program at December 31, 2008 and 2007.

The Company maintains specific restrictions on its investment portfolio based on policy guidelines as approved by the Board of Directors. These guidelines include restrictions with respect to diversification and credit quality. For fixed income investments, no group of investments guaranteed by the same guarantor or issued by the same issuer may exceed 5% of the fair value of the aggregate investment portfolio. The policy guidelines also require that no less than 90% of the fixed income portfolio must be rated investment grade by the Fitch, Standard & Poor's or Moody's rating services. As of December 31, 2008, the Company's debt securities included US Government obligations, Foreign Government obligations, Corporate debt securities, Mortgage backed securities and Other debt securities. Mortgage backed securities included Residential Mortgage Backed Securities ("RMBS"), Commercial Mortgage Backed Securities ("CMBS"), Collateralized Mortgage Obligations ("CMOs") and other Asset Backed Securities ("ABS"). Other debt securities included Federal Agency debt issues from the Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") and Federal Home Loan Bank ("FHLB").

The Company's fixed income portfolio had a fair value of $1,593,348,000 and $1,648,271,000 at December 31, 2008 and 2007, respectively. Of this amount, 99% was rated as investment grade credit quality with the remaining 1% rated as non-investment grade. During the second half of 2007 and into 2008, mortgage related problems, particularly involving subprime and Alt-A exposures, significantly worsened as economic conditions deteriorated and credit spreads widened as part of a general flight to quality. Within the Company's fixed income portfolio, the exposure to subprime and Alt-A mortgage backed securities as of December 31, 2008 and 2007 as follows:

ESTIMATED FAIR VALUE *(In thousands of U.S. Dollars)*

	[redacted]	2007
Alt A Residential Mortgage-Backed—Investment Grade	[redacted]	$ 8,792
Alt A Residential Mortgage-Backed—Below Investment Grade	[redacted]	–
Subprime Residential Mortgage-Backed—Investment Grade	[redacted]	205,075
Subprime Residential Mortgage-Backed—Below Investment Grade	[redacted]	3,846
	[redacted]	$217,713

4. FAIR VALUE

On January 1, 2008, the Company adopted SFAS No. 157, for financial assets and financial liabilities measured at fair value. SFAS 157 defines fair value, establishes a consistent framework for measuring fair value and expands disclosure requirements about fair value. SFAS 157 also established a hierarchy that prioritizes the input used to measure fair value into three levels.

In accordance with SFAS 157, assets and liabilities recorded at fair value are categorized based upon a fair value hierarchy:

- Level 1—inputs utilized quoted prices (unadjusted) in active markets for identical assets that the Company has the ability to access at the measurement date.
- Level 2—inputs utilize other than quoted prices included in Level 1 that are observable for the similar assets, either directly or indirectly.
- Level 3—inputs are unobservable for the asset, and include situations where there is little, if any, market activity for the asset.

The following table summarizes the Company's financial assets and financial liabilities measured at fair value:

(In thousands of U.S. Dollars)

	Quoted Prices in Active Markets for Asset/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31 2008
Assets				
Debt securities:				
U.S. government obligations	$ –	$ 452,708	$ –	$ 452,708
Foreign government obligations	–	2,311	–	2,311
Corporate debt securities	–	456,358	25,802	482,160
Mortgage- and asset-backed securities	–	568,252	19,006	587,258
Other debt securities	–	68,911	–	68,911
Total debt securities	–	$1,548,540	$ 44,808	$1,593,348
Equities	$1,086,793	$ –	$ 16,153	$1,102,946
Short term investments[1]	–	8,117	–	8,117
Alternative investments	–	–	620,169	620,169
Foreign currency forward contracts	41,498	–	–	41,498
Total assets	$1,128,291	$1,556,657	$ 681,130	$3,366,078
Liabilities				
Foreign currency forward contracts	$ 41,380	$ –	$ –	$ 41,380
Futures contracts	156	–	–	156
Total liabilities	$ 41,536	$ –	$ –	$ 41,536

[1]Short term investments as presented in the table above exclude certain short term investments (e.g., time deposits, certain money market funds, etc.) of $201,959 which are not measured at fair value under SFAS 115

The assets classified as Level 1 in the above table consist of actively traded, exchange listed U.S. and international equities, foreign currency forward contracts and future contracts. Valuation is based on unadjusted quoted prices for identical assets in active markets.

The securities classified as Level 2 consist primarily of fixed maturity securities. Valuation is based on market standard valuation methodologies utilizing discounted cash flows, matrix pricing or other similar techniques. The methodologies incorporate assumptions and inputs, obtained from market data, include, but are not limited to, interest rates, bond yields, bond term and conditions, market activity, maturity, cash flow projections, benchmark curves and prepayment speeds.

The Company has categorized its marketable debt and equity securities as "available for sale" and reports the portfolio at fair value. For marketable securities, the Company utilizes the services of its primary custodian to assist in the pricing of securities for the purposes of assessing fair value. The custodian collects various price types from its pricing providers. Price types include close of business, last traded, and mid price. The prices are typically on a close of business basis preferred price types are based on market convention. In most markets, this translates to a "last trade" price. In the event an asset does not receive its preferred price type, the custodian will consider the next highest price type received that exists in the price type hierarchy.

Certain short-term investments do not qualify as securities and are recognized at amortized cost in the consolidated Balance Sheet. For these instruments, the Company believes that there is minimal risk of material changes in interest rates or credit of the issuer such that estimated fair value approximates carrying value. In light of recent market conditions, short-term investments have been monitored to ensure there is sufficient demand and maintenance of issuer credit quality and the Company has determined additional adjustment is not required. Short term investments that meet the definition of a security are recognized at estimated fair value in the consolidated Balance Sheet in the same manner described above for similar instruments that are classified within captions of other major investment classes.

As is the case with all of the Company's held assets, the custodian strives to independently price as many assets as possible. For listed securities, their pricing providers deliver exchange closing prices each day. For those that trade over the counter, its pricing providers deliver evaluations (good faith opinion as to what a buyer in the marketplace would pay for a security—typically in an institutional round lot—in a current sale), based on broker quotes. Depending on the type of asset, those quotes or models may include inputs as supplied by the custodian for the individual issues. In the absence of an independent pricing source, the custodian does sometimes have to rely on investment managers to supply prices.

The securities classified as Level 3 consist of certain corporate debt securities, specifically collateralized debt obligations, CMO's, mortgage backed securities, asset backed securities, common stock and alternative investments. Valuation of the fixed maturity securities is based on market standard valuation methodologies using inputs based on management's judgment and estimation and cannot be supported by market activity as well as non-binding broker quotes. The Level 3 common stock primarily consists of the Company's investment in a high income real estate fund whose fair value contains significant unobservable inputs. The Company's alternative investments are accounted for using the equity method and valuation is based on the Company's proportionate interest in the underlying partnership's or fund's net asset value, which is deemed to approximate fair value. In circumstances where the partnership net asset value is deemed to differ from fair value due to illiquidity or other factors, net asset value is adjusted accordingly.

The following table summarizes the changes in fair value of Level 3 assets:

(In thousands of U.S. Dollars)	Balance as of December 31, 2007	Net loss[1]	OCI on Statement of Financial Position	Purchases, sales, issuances and settlements, net	Net transfers in and/or (out) of Level 3	Balance as of December 31, 2008	Total losses included in net loss for instruments still held at December 31, 2008
Corporate debt securities	$ 3,632	(311)	–	(2,850)	25,331	$ 25,802	$ (280)
Mortgage- and asset-backed securities	$ 22,259	(12,382)	(146)	(4,167)	13,442	$ 19,006	$ (12,918)
Equities	$ 39,104	(12,796)	(4,805)	(5,350)	–	$ 16,153	$ (12,857)
Alternative investments[2]	$ 403,926	(61,874)	–	278,117	–	$ 620,169	$ (76,635)

[1] Amortization of premium/discount are included within net income.

[2] Amount presented in purchases, sales, issuances and settlements for alternative investments represent contributions and distributions to and from the investments in private equity real estate and hedge funds.

If the inputs used to measure the financial instrument falls within different levels of the hierarchy, the categorization is based on the lowest level that is significant to the fair value measurement of the instrument. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and consideration of factors specific to the asset.

Both observable and unobservable inputs may be used to determine the fair value of positions that the Company has classified within the Level 3 category. As a result, the unrealized gains and losses for invested assets within the Level 3 category presented in the tables above may include changes in fair value that are attributed to both observable (e.g., changes in market interest rates) and unobservable (e.g., cash flow projections) inputs.

5. LINE OF CREDIT

During 2008, the Company negotiated an uncommitted $150 million line of credit with its investment custodian. Under the arrangement, the investment custodian has agreed to review the Company's consolidated financial statements on a regular basis so that the Company may borrow funds for general corporate purposes or place letters of credit without the normal lengthy credit review process. The uncommitted nature of the line provides the investment custodian the flexibility to deny use of this line if it is so inclined. The available line was reduced to $100 million at December 31, 2008, due to the issuance of a letter of credit supporting underwriting operations. At December 31, 2007, the Company had $50 million available under an uncommitted line of credit with its investment custodian.

6. RESERVE FUND AND ESCROW DEPOSIT

Under its incorporating act, the Company must, at all times, maintain a reserve fund. At December 31, 2008 and 2007, the reserve fund was $250,000. In addition, the Company is required to maintain a $750,000 escrow deposit (restricted cash) in connection with being licensed in the State of Delaware. In lieu of the escrow deposit, a $750,000 letter of credit has been established to comply with the State of Delaware licensing requirement. Distributions to policyholders may not be declared out of either of these sources.

7. RETROSPECTIVE PREMIUM ADJUSTMENT

Upon the sole discretion of the Board of Directors, the Company can call upon the Members for payment of proportionate retrospective premium adjustments, in whole or in part, to cover losses and the related costs incurred by the Company with respect to a policy year to which they have subscribed.

Each insured is contingently liable to the Company for retrospective premium adjustments based on losses occurring in each year. Under the primary, accidental outage, and excess programs, the maximum adjustment is equal to ten times annualized policy premiums.

The liability of the Members for the retrospective premium adjustment for any policy year ceases six years after the end of that policy year unless prior demand has been made. The maximum potential retrospective premiums, which could be demanded by the Company as of December 31, from the Members of each program, with respect to the current policy year, comprise:

(In thousands of U.S. Dollars)

	[illegible]	2007
Primary program	[illegible]	$ 715,799
Accidental outage program	[illegible]	469,429
Excess program	[illegible]	805,420
	[illegible]	$1,990,648

Management believes that it is unlikely that any retrospective premium adjustments will be required for policies whose terms have expired. No retrospective premium adjustments were required for the years ended December 31, 2008 and 2007.

8. REINSURANCE

In the normal course of business, the Company seeks to reduce its exposure to losses that may arise by reinsuring certain levels of risk with other insurance enterprises or reinsurers. Such reinsurance does not relieve the Company from its obligations to policyholders. With respect to the accidental outage and primary programs, the Company has no reinsurance coverage. Under the excess program, coverage was obtained as a single layer, $1 billion in excess of $1 billion per site.

The Company assumed reinsurance from non-affiliated entities for up to approximately $200 million per occurrence at December 31, 2008 and 2007. The risks are primarily property and liability for facilities involved in the nuclear industry as well as risks that are similar to the Company's direct business. Assumed premiums written in connection with these agreements in 2008 and 2007 were $32,475,000 and $29,245,000, respectively. Assumed premiums earned in connection with these agreements were $32,841,000 in 2008 and $33,878,000 in 2007.

The Company assumed reinsurance for the conventional property programs of its Member insureds. Such assumed reinsurance was written on a quota share basis and the maximum limit was approximately $300 million per occurrence. Premiums written in connection with this agreement in 2008 and 2007 were $23,047,000 and $25,925,000, respectively. Premiums earned in connection with this agreement were $23,375,000 in 2008 and $27,825,000 in 2007.

The effects of reinsurance on premiums written and earned in 2008 are as follows:

(In thousands of U.S. Dollars)

	[illegible]	Earned
Direct	[illegible]	$199,821
Assumed	[illegible]	56,216
Ceded	[illegible]	(36,155)
Net	[illegible]	$219,882

The effects of reinsurance on premiums written and earned in 2007 are as follows:

(In thousands of U.S. Dollars)

	[illegible]	Earned
Direct	[illegible]	$190,596
Assumed	[illegible]	61,703
Ceded	[illegible]	(36,079)
Net	[illegible]	$216,220

9. UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

(In thousands of U.S. Dollars)

	[illegible]	2007
Balance at January 1	[illegible]	$248,761
Incurred related to:		
Current year	[illegible]	54,055
Prior years	[illegible]	37,789
Total—incurred	[illegible]	$ 91,844
Paid related to:		
Current year	[illegible]	(12,050)
Prior years	[illegible]	(55,568)
Total—paid	[illegible]	$ (67,618)
Balance at December 31	[illegible]	$272,987

Loss and Loss Adjustment expenses include losses on both Direct and Assumed Reinsurance business. There are no losses ceded to reinsurers. The loss and loss adjustment expenses for prior years increased by $5,327,000 and $37,789,000 during 2008 and 2007, respectively. This was due to the re-estimation and settlement of prior year claims after receiving additional information as well as a decrease in the estimate of IBNR losses for prior accident years

In September 2008, a Member reported a plant shut down due to turbine vibrations, likely caused by blade failure, which resulted in a fire on the electric generator. This equipment, located in the turbine building, is separate and isolated from the nuclear reactor. The turbine rotors that caused the vibration were installed in 2006 and are within the vendor's warranty period. The warranty provides for the repair or replacement of the turbine rotors if the damage was caused by a defect in materials or workmanship. The Company is working with the insured and the turbine vendor to evaluate the extent of the damage resulting from the incident and the costs to return the unit to service.

The insured maintains property insurance through the Company with a $1 million deductible. The insured also maintains a separate accidental outage policy with the Company whereby, after a 12-week deductible period, the insured is entitled to weekly payments of $3.5 million for the first 52 weeks following the deductible period. After the initial 52 weeks of indemnity, the policy pays $2.8 million per week for up to an additional 110 weeks up to a total policy limit of $490 million.

In accordance with SFAS No. 5 Accounting for Contingencies, an estimate of the possible liability has been established. Of the $457,902,000 in Loss and loss adjustment expenses incurred during 2008, $388,514,000 of expense relates to the Company's Core Nuclear policies, the significant majority of which is associated with a reserve for this event. While the Company has used its best judgment and the most current information available in recording the reserve, there is significant uncertainty in estimation of the ultimate claim. The primary area of sensitivity in connection with the claim involves the extent of accidental outage coverage which cannot be determined until repairs are successfully completed and operations are resumed.

10. INCOME TAXES

Bermuda presently imposes no income, withholding or capital gains taxes and the Company is exempted until March 2016 from any such taxes pursuant to the Bermuda Exempted Undertakings Tax Protection Act 1966, Amendment Act 1973. The Company made an election pursuant to Internal Revenue Code Section 953 (d) to be taxed as a U.S. domestic corporation.

The (benefit) expense for U.S. federal income tax is comprised of the following:

(In thousands of U.S. Dollars)

	[redacted]	2007
Current	[redacted]	$ 98,748
Deferred	[redacted]	(38,198)
	[redacted]	$ 60,550

The components of the net deferred tax asset (liability) as of December 31, 2008 and 2007 are as follows:

(In thousands of U.S. Dollars)

	[redacted]	2007
Unearned premium reserve	[redacted]	$ 5,743
Loss reserve discount	[redacted]	11,665
Other investments	[redacted]	3,927
Investment impairments	[redacted]	57,989
Deferred expenses	[redacted]	4,981
ONEIL net operating loss	[redacted]	693
Loss on foreign exchange forward contracts	[redacted]	-
Other, net	[redacted]	1,315
Total Deferred Tax Asset	[redacted]	86,313
Deferred acquisition costs	[redacted]	(474)
SFAS 115 unrealized gain for AFS securities	[redacted]	(360,285)
Gain on foreign exchange forward contracts	[redacted]	(806)
Total Deferred Tax Liabilities	[redacted]	(361,565)
Net Deferred Tax Asset (Liability)	[redacted]	$(275,252)

There was no valuation allowance recorded against the deferred tax assets at December 31, 2008 and 2007 as it was deemed more likely than not that the assets would be realized.

The components of the Income tax receivable (payable) at December 31, 2008 and 2007 are included in the table below. In 2007 this balance was included in Accounts payable, accrued expenses and other liabilities on the Company's Balance Sheet.

(In thousands of U.S. Dollars)

	[redacted]	2007
Current tax payable, January 1	[redacted]	$ (9,749)
Current tax benefit (expense)	[redacted]	$(98,748)
Estimated payments	[redacted]	$ 85,861
Income tax refund	[redacted]	$ (2,704)
Other	[redacted]	111
Total	[redacted]	$(25,229)

The (benefit) provision for income taxes was determined by applying the 35% U.S. statutory federal tax rate to pre-tax net income adjusted as follows:

(In thousands of U.S. Dollars)

	[redacted]	2007
(Loss) earnings before income (benefit) taxes	[redacted]	$190,768
Dividends received deduction	[redacted]	(17,630)
Other, net	[redacted]	(141)
Tax-basis (losses) earnings	[redacted]	172,997
Tax rate	[redacted]	35%
Income tax (benefit) expense	[redacted]	$ 60,550

Federal income taxes paid in 2008 and 2007 totaled $88,212,000 and $85,861,000, respectively.

11. COMMITMENTS AND CONTINGENCIES

As of December 31, 2008, the Company has committed to 69 private equity limited partnerships in the amount of $270,000,000, payable over the next 4 years. The unfunded portion of these commitments as of December 31, 2008 is $111,084,988. The Company has committed to 2 real estate partnerships in the amount of $50,000,000. The unfunded portion of these commitments as of December 31, 2008 is $11,003,000, payable over the next 3 years.

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The Company leases office space under an operating lease, which expires July 2019. Future noncancellable minimum rental commitments under the lease are as follows:

YEAR	FUTURE COMMITMENT (In thousands of U.S. Dollars)
2009	$ 1,056
2010	$ 1,079
2011	$ 1,100
2012	$ 1,122
2013	$ 1,145
Years thereafter	$ 5,491
Total	$10,993

The Company is subject to certain legal proceedings and claims that arise in the normal course of business. In the opinion of management, the ultimate outcome of those actions will not have a material impact on the Company's consolidated financial statements.

12. STATUTORY ACCOUNTING INFORMATION

Policyholders' Surplus, calculated in accordance with statutory accounting practices prescribed or permitted by the Insurance Department of the State of Delaware differs from that shown on the Consolidated Balance Sheets at December 31, 2008 and 2007, as follows:

(In thousands of U.S. Dollars)

	[redacted]	2007
Statutory Policyholders' Surplus	[redacted]	$3,951,513
Valuation of fixed maturities	[redacted]	20,259
Non-admitted assets	[redacted]	10,214
Miscellaneous	[redacted]	(439)
Total Policyholders' Surplus	[redacted]	$3,981,547

Earnings calculated in accordance with statutory accounting practices prescribed or permitted by the Insurance Department of the State of Delaware, differs from that shown on the Consolidated Statements of Operations and Comprehensive (Loss) Earnings for the years ended December 31, 2008 and 2007, as follows:

(In thousands of U.S. Dollars)

	[redacted]	2007
Statutory net (loss) earnings	[redacted]	$ 98,285
Deferred income taxes	[redacted]	37,998
Underwriting income	[redacted]	5,953
Investment income	[redacted]	(10,999)
Miscellaneous	[redacted]	(1,019)
Net (Loss) Earnings	[redacted]	$130,218

MEMBER INSUREDS *as of March 1, 2009*

AEP Texas Central Company
Alabama Power Company
AmerGen Energy Company, LLC
Arizona Public Service Company
Bonneville Power Administration
Carolina Power & Light Company
Central Hudson Gas & Electric Corporation
Central Vermont Public Service Corporation
City of Anaheim
City of Riverside
Connecticut Light and Power Company
Connecticut Yankee Atomic Power Company
Consolidated Edison Company of New York, Inc.
Constellation Energy Group, Inc.
Consumers Energy Company
Department of Water and Power—City of Los Angeles
Detroit Edison Company
Dominion Energy Kewaunee, Inc.
Dominion Nuclear Connecticut, Inc.
Duke Energy Carolinas, LLC
El Paso Electric Company
Electrabel, S.A.
Endesa Generación, S.A.
Entergy Arkansas, Inc.
Entergy Gulf States Louisiana, L.L.C.
Entergy Louisiana, LLC
Entergy Mississippi, Inc.
Entergy New Orleans, Inc.
Entergy Nuclear FitzPatrick, LLC
Entergy Nuclear Generation Company
Entergy Nuclear Indian Point 2, LLC
Entergy Nuclear Indian Point 3, LLC
Entergy Nuclear Palisades, LLC
Entergy Nuclear Vermont Yankee, LLC
Exelon Generation Company, LLC
FirstEnergy Nuclear Generation Corporation
Florida Power & Light Company
Florida Power Corporation
FPL Energy Duane Arnold, LLC
FPL Energy Point Beach, LLC
FPL Energy Seabrook, LLC
Georgia Power Company
Hidroeléctrica del Cantábrico, S.A.
Iberdrola Generación, S.A.
Indiana Michigan Power Company
Interstate Power and Light Company
Jersey Central Power and Light Company
Kansas City Power & Light Company
Kansas Electric Power Cooperative, Inc.
Kansas Gas and Electric Company
Long Island Lighting Company
Luminant Generation Company LLC
Madison Gas & Electric Company
Metropolitan Edison Company
MidAmerican Energy Company
Municipal Electric Authority of Georgia
New York State Electric & Gas Corporation
Niagara Mohawk Power Corporation
Northern States Power Company
Nuclenor, S.A.
Pacific Gas and Electric Company
Pennsylvania Electric Company
Pepco Holdings, Inc.
PPL Susquehanna LLC
PSEG Power LLC
Public Service Company of New Hampshire
Public Service Company of New Mexico
Rochester Gas & Electric Corporation
Sacramento Municipal Utility District
Salt River Project Agricultural Improvement & Power District
San Diego Gas & Electric Company
South Carolina Electric & Gas Company
Southern California Edison Company
Southern California Public Power Authority
STP Nuclear Operating Company
System Energy Resources, Inc.
Tennessee Valley Authority
Union Electric Company
Union Fenosa, S.A.
Vermont Yankee Nuclear Power Corporation
Virginia Electric & Power Company
Western Massachusetts Electric Company
Wisconsin Electric Power Company
Wisconsin Power & Light Company
Wisconsin Public Service Corporation

MEMBERS' REPRESENTATIVES

Traci L. Bender
Vice President of Finance, Risk Management
and Rates & Chief Financial Officer
Nebraska Public Power District

Jerre E. Birdsong
Vice President & Treasurer
Union Electric Company (Ameren)

Florentino Blanco Pedregal
Director de Generación
Hidroeléctrica del Cantábrico, S.A.

Robert C. Boada
Vice President & Treasurer
Southern California Edison Company

John Boguslawski
Vice President
Vermont Yankee Nuclear Power Corporation

James C. Boll, Jr., Esq.
Corporate Attorney
Madison Gas & Electric Company

Keith Bone
Managing Director–Insurance
Duke Energy Carolinas, LLC

Steven P. Busser
Vice President, Treasurer & Chief Risk Officer
El Paso Electric Company

Samuel D. Cannady
Chief Risk Manager
Bonneville Power Administration

Mark R. Cannon
Risk Management Officer
SCANA Corporation

Michael W. Cline
Vice President–Treasury and Investor Relations
Kansas City Power & Light Company

John G. Cochrane
Chief Financial Officer
National Grid USA Service Company, Inc.

Marcie L. Edwards
Public Utilities General Manager
City of Anaheim

Eduardo Escaffi Johnson
Director Riesgos Patrimoniales
Endesa Generación, S.A.

Benjamin G. S. Fowke, III
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Xcel Energy Inc.

Robert E. Freundlieher
Executive Director–Risk Management
CMS Energy Corporation

Joseph Glace
Vice President & Chief Risk Officer
Exelon Corporation

Barbara Gomez
Vice President & Controller
Arizona Public Service Company

Greg A. Greenwood
Treasurer
Westar Energy

Kent M. Harvey
Sr. Vice President & Chief Risk and Audit Officer
PG&E Corporation

G. Scott Hetzer
Sr. Vice President & Treasurer
Dominion Resources, Inc.

Robert N. Hoglund
Sr. Vice President–Finance
Consolidated Edison, Inc.

Anthony R. Horton
Sr. Vice President
Energy Future Holdings Corporation

John M. Hoskins
Sr. Vice President & Treasurer
Tennessee Valley Authority

Robert Johnston
President & Chief Executive Officer
MEAG Power

Anthony J. Kamerick
Vice President & Treasurer
Pepco Holdings, Inc.

Nick Khouri
Vice President & Treasurer
DTE Energy

Rajiv S. Kundalkar
Vice President–Nuclear Engineering
Florida Power & Light Company

James G. Lathers
Director–Risk Management
Sempra Energy

Richard H. Marsh, CFA
Sr. Vice President & Chief Financial Officer
FirstEnergy Corporation

MEMBERS' REPRESENTATIVES *continued*

Elizabeth (Libby) M. McCarthy
Chief Financial Officer
Long Island Lighting Company

Matthew McGarril
Manager–Risk Management
CH Energy Group, Inc.

Steve McNeal
Vice President & Treasurer
Entergy Services, Inc.

J. Gary Meggs
Director–Risk Management
Southern Company

Michael D. Meier
Vice President–Shared Services
STP Nuclear Operating Company

Diego Molina Orero
Production Nuclear Manager
Iberdrola Generación, S.A.

Charles Moriarty
Vice President & Chief Financial Officer
Omaha Public Power District

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Vice President of Admin. & General Counsel
Kansas Electric Power Cooperative, Inc.

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Morton A. Plawner
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PSEG Power LLC

William R. Powell, CSP, ARM
Manager–Risk Management Department
Salt River Project Agricultural Improvement & Power District

Martin Regaño
Director General
Nuclenor, S.A.

Chester A. (Chet) Richardson
Deputy General Counsel
Interstate Power and Light Company

Dale A Rocheleau, Esq.
Sr. Vice President for Legal and Public Affairs
& Corporate Secretary
Central Vermont Public Service Corporation

Maureen E. Sammon
Sr. Vice President–HR, IT and Insurance
MidAmerican Energy Holdings Company

Charles W. Shivery
Chairman, President & Chief Executive Officer
Northeast Utilities

Vijay Singh
Vice President–Risk Management
PPL Services Corporation

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Sr. Vice President–Energy Resources
Public Service Company of New Mexico

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Barbara J. Swan, Esq.
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Alliant Energy Corporation

Joseph J. Syta
Comptroller & Treasurer
Rochester Gas & Electric Corporation

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Constellation Energy Group, Inc.

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Vice President & Chief Risk Officer–Risk Management
American Electric Power Company, Inc.

Greg Umscheid
Executive Director–Risk Management
Westar Energy

Alec van den Abeele
Insurance Director
Electrabel, S.A.

Jeffrey P. West
Treasurer
Wisconsin Energy Corporation

Barth J. Wolf, Esq.
Secretary & Manager–Legal Services
Integrys Energy Group, Inc.

David H. Wright
Public Utilities General Manager
City of Riverside

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BOARD OF DIRECTORS

Theodore H. Bunting
Sr. Vice President & Chief Accounting Officer
Entergy Corporation

David A. Christian
President & Chief Nuclear Officer
Dominion Generation

W. Gary Gates
President & Chief Executive Officer
Omaha Public Power District

Gale E. Klappa–Chairman
Chairman, President & Chief Executive Officer
Wisconsin Energy Corporation

Joshua W. Martin III–Vice Chairman
Partner
Potter Anderson & Corroon LLP

Francisco Martínez-Córcoles
Director General
Iberdrola Generación, S.A.

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Independent Director

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Chairman, President & Chief Executive Officer
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President & Chief Executive Officer
Nuclear Electric Insurance Limited

Heidi L. Steiger
Advisory Director
Berkshire Capital

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Chairman, President & Chief Executive Officer
SCANA Corporation

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Vice Chairman
Constellation Energy Nuclear Group, LLC

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Chairman, President & Chief Executive Officer
Integrys Energy Group, Inc.

Ruth M. Whaley
Independent Director

PRINCIPAL OFFICERS

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Chairman

Joshua W. Martin III
Vice Chairman

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President & Chief Executive Officer

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Sr. Vice President & Chief Financial Officer

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Vice President & Chief Investment Officer

Kenneth C. Manne
Vice President & General Counsel

Harry J. Phillips
Vice President–Loss Control

Thomas G. Tannion
Vice President–International

Gregory G. Wilks
Vice President–Insurance

Timothy C. Faries
Secretary

OVERSEAS NEIL LIMITED

Thomas G. Tannion
Managing Director

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OUR MISSION

RISK PHILOSOPHY

NEIL protects its financial strength and optimizes risk-adjusted returns by:

- Managing risks within defined tolerance levels,
- Measuring risk in an integrated manner across underwriting, investment and operational exposures, and
- Maintaining well-defined reporting and governance processes.

OUR GUIDING PRINCIPLES

MUTUALITY

Consistent with the principles of a mutual insurance company, our employees and Board of Directors strive to meet our Members' evolving needs and represent the interests of all Members by treating them fairly and equitably in matters of the Company, including financial dealings and Member representation.

INTEGRITY

The Company, its employees, and members of the Board of Directors will treat each other, and all others with whom we interact, with respect, honesty, and fairness. We will maintain the highest ethical and professional standards in all areas of our business and respect the confidential and proprietary information of our Members.

STRENGTH

We will maintain our financial strength through sound strategic planning, prudent investments, a disciplined financial decision process, and demonstrated financial accountability. We will maintain our personnel strength by creating an environment that encourages employee initiative and diversity among individuals, and enables each employee to perform successfully and grow professionally.

EXCELLENCE

Excellence requires personal commitment on the part of each individual involved with NEIL and we pursue this through a proactive approach to all aspects of our business. Each employee commits to achieve excellence and to respect the Company and each other in all matters.

TEAMWORK

We will foster teamwork with our Members and business partners by effective communications and by seeking their participation on matters affecting the Company. We are also committed to being responsible and active members of our community, and will team with others to build a strong community that produces a positive environment beneficial to businesses and individuals.

DIVERSITY & INCLUSION

LETTER FROM NEIL

ERRATA SHEET

Under penalties of perjury, I have read the foregoing transcript of my deposition, pages 1 through 234, and hereby subscribe to same, including any corrections and/or amendments listed below.

8/25/2009 — DATE

ARMANDO PIMENTEL

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
30/22	REMOVE EXTRA "THAT"	CORRECTION
41/6	CHANGE "BBB" TO "AAA MINUS"	"
49/18	"GET TO" S/B "GET FROM"	"
50/8	"IF YOU HAD" S/B "IF YOU ADD"	"
50/12	"TOGETHER, AND THEN REDUCE THAT AMOUNT BY THE SUM OF LINES 22 AND 31 FROM PAGE 2 OF 4"	CLARIFICATION
		"
59/1	"WE'RE" S/B "WHERE WE ARE"	CORRECTION
59/21	"COVER" S/B "RECOVER"	"
69/11	"THAT" S/B "THAT IS"	"
71/25	"ENJOINED" S/B "ENJOYED"	"
93/17	"I DON'T BELIEVE" S/B "I BELIEVE"	"
100/6	"CONFIRM" S/B "CONFORM"	"
112/25	INSERT "DEBT" BEFORE INVESTORS	CLARIFICATION
114/3	DELETE "THE REQUIRE"	CORRECTION
133/2	"THESE" S/B "THEM"	"
140/1	"PAST" S/B "PART"	"

Reporter: Mary A. Neel - Date of Deposition: 08/14/09
Petition for rate increase by FPL - Docket No. 080677-EI

ERRATA SHEET

Under penalties of perjury, I have read the foregoing transcript of my deposition, pages 1 through 234, and hereby subscribe to same, including any corrections and/or amendments listed below.

8/25/2009
DATE

ARMANDO PIMENTEL

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
142/18	INSERT "DON'T" AFTER I DELETE "ALWAYS"	CORRECTION
152/14	"AFTER" S/B "AT THE"	CORRECTION
160/20	"2012" S/B "2013"	"
166/15	"FIND" S/B "FUND"	"
187/7	"YES, THAT WOULD BE $10" S/B "NO, THAT WOULD BE $1"	"
189/12	"2012" S/B "2013"	"

Reporter: Mary A. Neel - Date of Deposition: 08/14/09
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ERRATA SHEET

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8/25/2009 ____________________
DATE ARMANDO PIMENTEL

PAGE/LINE	ERROR OR AMENDMENT	REASON FOR CHANGE
3	EXHIBIT 4 & 5 → EXHIBIT 3	EXHIBITS RENUMBERED
3	EXHIBIT 6 → EXHIBIT 4	" "
3	EXHIBIT 7 → EXHIBIT 5	" "
3	EXHIBIT 3 TITLE NUCLEAR IN-SERVICE DATES	TITLE CHANGED
3	EXHIBIT 1 - SUPPLEMENTAL	ADDITIONAL INFO PROVIDED
8/20	THAT THAT → THAT	WORD DUPLICATED
10/13	"ELIMINATIONS. THE REMOVE "OF FOUR"	CLARIFICATION
12/5 & 6	BUT REALLY A FINANCIAL STATEMENT REPRESENTATION OF INVESTOR SOURCES OF CAPITAL	CORRECTION
18/22	CHANGE "AVAILABLE" TO "RATING"	CLARIFICATION
20/8	CHANGE "WHEN IS" TO "WHICH WAS"	CORRECTION
21/20	CHANGE TO "ACCESSING THE COMMERCIAL PAPER MARKET"	"
23/13	$2.7 S/B $2.75	"
24/24	CHANGE "YOUR" TO "OUR"	"
25/12	$2.7 S/B $2.75	"
25/21	S/B "I'M NOT EVEN"	"

Reporter: Mary A. Neel - Date of Deposition: 08/14/09
Petition for rate increase by FPL - Docket No. 080677-EI

Florida Investor Owned Utility
Issuer and Short-Term Credit Ratings

	Moody's	Standard & Poor's	Fitch Ratings
Florida Power & Light Company			
Issuer Credit Rating	A1	A	A
Short-Term Credit Rating	P-1	A-1	F-1
Progress Energy Florida			
Issuer Credit Rating	A3	BBB+	A-
Short-Term Credit Rating	P-2	A-2	F-1
Tampa Electric Company			
Issuer Credit Rating	Baa1	BBB	BBB
Short-Term Credit Rating	n/a	A-2	F-2
Gulf Power Company			
Issuer Credit Rating	A2	A	A-
Short-Term Credit Rating	P-1	A-1	F-1

Source: Moody's, Standard & Poor's and Fitch Ratings websites

Exhibit 3 – Commercial Operation Date of Florida Power & Light's Nuclear Units

Nuclear Unit	Commercial Operation Date
Turkey Point 3	December 1972
Turkey Point 4	September 1973
St. Lucie 1	December 1976
St. Lucie 2	August 1983

Pimentel Deposition: Exhibit 4
ANALYSIS OF FPL'S COST OF CAPITAL VERSUS TECO'S COST OF CAPITAL
($000's)

FPL 2010 COC AS FILED	AMOUNT	RATIO	COST RATE	WTD COC	PRE-TAX COC
LONG-TERM DEBT	5,377,787	31.52%	5.55%	1.75%	1.75%
PREFERRED STOCK	0	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	8,178,980	47.93%	12.50%	5.99%	9.75%
SHORT-TERM DEBT	161,857	0.95%	2.96%	0.03%	0.03%
CUSTOMER DEPOSITS	564,652	3.31%	5.98%	0.20%	0.20%
INVESTMENT TAX CREDITS	56,983	0.33%	9.74%	0.03%	0.05%
DEFERRED INCOME TAX	2,723,327	15.96%	0.00%	0.00%	0.00%
WEIGHTED COST OF CAPITAL	17,063,587	100.00%		8.00%	11.78%

FPL 2010 COC AS ADJUSTED*	AMOUNT	RATIO	COST RATE	WTD COC	PRE-TAX COC
LONG-TERM DEBT	5,295,857	31.57%	5.55%	1.75%	1.75%
PREFERRED STOCK	0	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	7,885,346	47.00%	12.50%	5.87%	9.56%
SHORT-TERM DEBT	156,023	0.93%	2.96%	0.03%	0.03%
CUSTOMER DEPOSITS	544,390	3.24%	5.98%	0.19%	0.19%
INVESTMENT TAX CREDITS	5,426	0.03%	9.71%	0.00%	0.00%
DEFERRED INCOME TAX	2,890,553	17.23%	0.00%	0.00%	0.00%
WEIGHTED COST OF CAPITAL	16,777,595	100.00%		7.85%	11.54%

TECO COC PER FINAL ORDER	AMOUNT	RATIO	COST RATE	WTD COC	PRE-TAX COC
LONG-TERM DEBT	1,384,999	40.29%	6.80%	2.74%	2.74%
PREFERRED STOCK	0	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	1,632,612	47.49%	11.25%	5.34%	8.70%
SHORT-TERM DEBT	7,905	0.23%	2.75%	0.01%	0.01%
CUSTOMER DEPOSITS	99,502	2.89%	6.07%	0.18%	0.18%
INVESTMENT TAX CREDITS	8,964	0.26%	9.21%	0.02%	0.03%
DEFERRED INCOME TAX	303,629	8.83%	0.00%	0.00%	0.00%
WEIGHTED COST OF CAPITAL	3,437,611	100.00%		8.29%	11.65%

*AS ADJUSTED PER REBUTTAL EXHIBIT KO-16

STANDARD
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RatingsDirect®

May 27, 2009

Criteria | Corporates | General:

Criteria Methodology: Business Risk/Financial Risk Matrix Expanded

Primary Credit Analysts:
Solomon B Samson, New York (1) 212-438-7653; sol_samson@standardandpoors.com
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Table Of Contents

Criteria | Corporates | General:

Criteria Methodology: Business Risk/Financial Risk Matrix Expanded

(Editor's Note: In the previous version of this article published on May 26, certain of the rating outcomes in the table 1 matrix were missated. A corrected version follows.)

Standard & Poor's Ratings Services is refining its methodology for corporate ratings related to its business risk/financial risk matrix, which we published as part of 2008 Corporate Ratings Criteria on April 15, 2008, on RatingsDirect at www.ratingsdirect.com and Standard & Poor's Web site at www.standardandpoors.com.

This article amends and supersedes the criteria as published in Corporate Ratings Criteria, page 21, and the articles listed in the "Related Articles" section at the end of this report.

This article is part of a broad series of measures announced last year to enhance our governance, analytics, dissemination of information, and investor education initiatives. These initiatives are aimed at augmenting our independence, strengthening the rating process, and increasing our transparency to better serve the global markets.

We introduced the business risk/financial risk matrix four years ago. The relationships depicted in the matrix represent an essential element of our corporate analytical methodology.

We are now expanding the matrix, by adding one category to both business and financial risks (see table 1). As a result, the matrix allows for greater differentiation regarding companies rated lower than investment grade (i.e., 'BB' and below).

Table 1

Business And Financial Risk Profile Matrix

Business Risk Profile	Financial Risk Profile					
	Minimal	Modest	Intermediate	Significant	Aggressive	Highly Leveraged
Excellent	AAA	AA	A	A-	BBB	--
Strong	AA	A	A-	BBB	BB	BB-
Satisfactory	A-	BBB+	BBB	BB+	BB-	B+
Fair	--	BBB-	BB+	BB	BB-	B
Weak	--	--	BB	BB-	B+	B-
Vulnerable	--	--	--	B+	B	CCC+

These rating outcomes are shown for guidance purposes only. Actual rating should be within one notch of indicated rating outcomes.

The rating outcomes refer to issuer credit ratings. The ratings indicated in each cell of the matrix are the midpoints of a range of likely rating possibilities. This range would ordinarily span one notch above and below the indicated rating.

080677 Hearing Exhibit - 00001867

Business Risk/Financial Risk Framework

Our corporate analytical methodology organizes the analytical process according to a common framework, and it divides the task into several categories so that all salient issues are considered. The first categories involve fundamental business analysis; the financial analysis categories follow.

Our ratings analysis starts with the assessment of the business and competitive profile of the company. Two companies with identical financial metrics can be rated very differently, to the extent that their business challenges and prospects differ. The categories underlying our business and financial risk assessments are:

Business risk

- Country risk
- Industry risk
- Competitive position
- Profitability/Peer group comparisons

Financial risk

- Accounting
- Financial governance and policies/risk tolerance
- Cash flow adequacy
- Capital structure/asset protection
- Liquidity/short-term factors

We do not have any predetermined weights for these categories. The significance of specific factors varies from situation to situation.

Updated Matrix

We developed the matrix to make explicit the rating outcomes that are typical for various business risk/financial risk combinations. It illustrates the relationship of business and financial risk profiles to the issuer credit rating.

We tend to weight business risk slightly more than financial risk when differentiating among investment-grade ratings. Conversely, we place slightly more weight on financial risk for speculative-grade issuers (see table 1, again). There also is a subtle compounding effect when both business risk and financial risk are aligned at extremes (i.e., excellent/minimal and vulnerable/highly leveraged.)

The new, more granular version of the matrix represents a refinement--not any change in rating criteria or standards--and, consequently, holds no implications for any changes to existing ratings. However, the expanded matrix should enhance the transparency of the analytical process.

Financial Benchmarks

Table 2

Financial Risk Indicative Ratios (Corporates)

	FFO/Debt (%)	Debt/EBITDA (x)	Debt/Capital (%)
Minimal	greater than 60	less than 1.5	less than 25
Modest	45-60	1.5-2	25-35
Intermediate	30-45	2-3	35-45
Significant	20-30	3-4	45-50
Aggressive	12-20	4-5	50-60
Highly Leveraged	less than 12	greater than 5	greater than 60

How To Use The Matrix--And Its Limitations

The rating matrix indicative outcomes are what we typically observe--but are not meant to be precise indications or guarantees of future rating opinions. Positive and negative nuances in our analysis may lead to a notch higher or lower than the outcomes indicated in the various cells of the matrix.

In certain situations there may be specific, overarching risks that are outside the standard framework, e.g., a liquidity crisis, major litigation, or large acquisition. This often is the case regarding credits at the lowest end of the credit spectrum--i.e., the 'CCC' category and lower. These ratings, by definition, reflect some impending crisis or acute vulnerability, and the balanced approach that underlies the matrix framework just does not lend itself to such situations.

Similarly, some matrix cells are blank because the underlying combinations are highly unusual--and presumably would involve complicated factors and analysis.

The following hypothetical example illustrates how the tables can be used to better understand our rating process (see tables 1 and 2).

We believe that Company ABC has a satisfactory business risk profile, typical of a low investment-grade industrial issuer. If we believed its financial risk were intermediate, the expected rating outcome should be within one notch of 'BBB'. ABC's ratios of cash flow to debt (35%) and debt leverage (total debt to EBITDA of 2.5x) are indeed characteristic of intermediate financial risk.

It might be possible for Company ABC to be upgraded to the 'A' category by, for example, reducing its debt burden to the point that financial risk is viewed as minimal. Funds from operations (FFO) to debt of more than 60% and debt to EBITDA of only 1.5x would, in most cases, indicate minimal.

Conversely, ABC may choose to become more financially aggressive--perhaps it decides to reward shareholders by borrowing to repurchase its stock. It is possible that the company may fall into the 'BB' category if we view its financial risk as significant. FFO to debt of 20% and debt to EBITDA 4x would, in our view, typify the significant financial risk category.

Still, it is essential to realize that the financial benchmarks are guidelines, neither gospel nor guarantees. They can vary in nonstandard cases: For example, if a company's financial measures exhibit very little volatility, benchmarks may be somewhat more relaxed.

Moreover, our assessment of financial risk is not as simplistic as looking at a few ratios. It encompasses:

- a view of accounting and disclosure practices;
- a view of corporate governance, financial policies, and risk tolerance;
- the degree of capital intensity, flexibility regarding capital expenditures and other cash needs, including acquisitions and shareholder distributions; and
- various aspects of liquidity--including the risk of refinancing near-term maturities.

The matrix addresses a company's standalone credit profile, and does not take account of external influences, which would pertain in the case of government-related entities or subsidiaries that in our view may benefit or suffer from affiliation with a stronger or weaker group. The matrix refers only to local-currency ratings, rather than foreign-currency ratings, which incorporate additional transfer and convertibility risks. Finally, the matrix does not apply to project finance or corporate securitizations.

Related Articles

Industrials' Business Risk/Financial Risk Matrix--A Fundamental Perspective On Corporate Ratings, published April 7, 2005, on RatingsDirect.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	DOCKET NO. 080677-EI

TELEPHONIC DEPOSITION OF: MARLENE SANTOS

TAKEN AT INSTANCE OF: The Florida Public Service Commission

DATE: August 20, 2009

TIME: Commenced at 9:02 a.m.
Concluded at 11:17 p.m.

LOCATION: Gunter Building
540 Shumard Oak Blvd.
Room 382D
Tallahassee, Florida

REPORTED BY: LORI DEZELL
Registered Professional Reporter

ACCURATE STENOTYPE REPORTERS, INC.
2894 REMINGTON GREEN LANE
TALLAHASSEE, FLORIDA 32308
(850)878-2221

APPEARANCES:

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LEWIS MORAN
JENNIFER SPINA
CANDACE HUGHES
TRICIA MERCHANT
KENNY GITCHEL
JOHN EASTEROR
MARIA BASTAD
BRIAN OLEY
MAILE SHARFF

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INDEX OF EXHIBITS

PROCEEDINGS

MS. HARTMAN: I think we're ready to swear in the witness now.

Thereupon,

MARLENE SANTOS

was called as a witness, having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. HARTMAN:

Q Good morning, Ms. Santos. How are you?

A Good morning. Good, thank you.

Q Ms. Santos, my name is Jean Hartman and I'm an attorney with the Florida Public Service Commission and I'll be asking you some questions this morning with regard to testimony and discovery responses filed in Commission Docket 080677-EI, the FP&L rate case. You're familiar with your testimony in this docket; is that correct?

A Yes, I am.

Q Okay. And will you -- will you please let me know if my questions are unclear to you or if you need me to restate them?

A Sure.

Q And if you need a break, will you please let me know?

A Yes, definitely.
Q And you have --
MS. HARTMAN: I'm sorry. Did someone just join the line?
MR. BUTLER: Did anyone join? We can't tell if anyone dropped off.
MS. HARTMAN: Yeah.
BY MS. HARTMAN:
Q Ms. Santos, do you have copies of your -- do you have a copy of your testimony that you filed in this docket in front of you?
A Are you referring to the direct testimony or rebuttal or both?
Q I'm referring to both.
A Yes, I do.
Q Okay. Could you -- could you go ahead and please state your full name again and please give me your business address?
A My name is Marlene Santos and my address is 9250 West Flagler Street, Miami, Florida.
Q And with whom are you employed?
A (Inaudible.)
Q I'm sorry. We couldn't hear.
A I'm employed by Florida Power & Light.
Q And could you please state your job title?

A My job title is vice president of customer service.

Q Okay. Could you please describe, generally describe for me your responsibilities in that position?

A Sure. As vice president of customer service I oversee and have responsibility for several functions, and the functions that I oversee include billing, payment processing, customer care. I have responsibility for interface with our large customers and metering services and collections.

Q I'm sorry, what -- after metering services did you --

A And credit and collections.

Q Okay. And in this -- and in the capacity and as vice president, you -- you caused -- in that capacity you caused testimony exhibits to be filed in this rate case; is that correct?

A Yes, I did.

Q Great. Are you responsible for the implementation of advanced metering infrastructure?

A Yes, I am.

Q Okay. And I'm going to say AMI in the future instead of advanced metering infrastructure. Does that make sense to you?

A That makes a lot of sense. I'll do the same.

Q Okay. Can you explain AMI to me, or -- I'm sorry. What is AMI?

A AMI is a long-term project that we are in an early stage where we are going to be putting advanced meters in -- they're also called smart meters, in all of our residential customers' homes and smart meters, which will --

Q I'm sorry, Ms. Santos. For some reason the phone line faded out.

A Okay. You're having trouble hearing me?

Q I am. And I'm just trying to talk to the court reporter for a second and try to identify where we lost you.

Okay. We lost you right after the part putting smart meters in residential customers' homes.

A So we will be installing smart meters in residential customers' homes and small-medium customer businesses. The meters will have two-way communications and will be able to remotely read them. We'll be able to remotely connect and disconnect service. And that's the main functionality that the meters will have.

In my testimony I provide our deployment schedule and a high level estimate of the cost that we will expect to incur.

Q And what constitutes full implementation of

AMI for FPL?

A Full implementation. I need you to clarify that question. I mean, full implementation can mean when we're finished with the implementation, which we expect will be sometime in the year 2013. And that would be when all the meters have been installed throughout our service territory and all the systems and process and policies would be in place within the program.

Q And can you tell me, what are FPL's full-time total costs for AMI from 2009 through 2013?

A The costs for AMI are broken down into both capital and O&M. And the capital costs that we are estimating for 2009 is 44 million, for 2010 is 169 million, 2011 is 159 million, 2012 is 152 million, 2013 is 122 million, for a total between '09 and 2013 of 645 million.

On the operating and maintenance side, I want to ask you a clarifying question. Because on the O&M side, I can either quote you the O&M expenses or I can quote you -- maybe you want both, the O&M and the savings associated with the project, because the project has both O&M expenses and O&M savings. So how would you like me to provide that information to you? Do you want me to break it out into the two pieces?

Q Yes, please.

A All right. So the O&M expenses for 2009 are 2.3 million, for 2010 is 6.9 million, 2011 is 8.9 million, 2012 is 11.9 million, 2013 is 10.5 million, for a total in that period of 40.4 million. We also expect to have, as I mentioned, O&M savings, and the savings that we're expecting in 2009 are .2 million; in 2010, .4 million; in 2011, 4.7 million; 2012, 18.2 million; 2013, 30.4 million; for a total in that period of 53.9 million.

Q Ms. Santos, once AMI is fully implemented, and by that we mean once all of the AMI meters are installed, what will FPL's annual savings be?

A Yes, we're estimating -- the number that I'm going to give you is the number, the savings that we're estimating in 2014. So by 2014, you know, all the meters will be in place, we'll have all the systems, as I explained earlier, and I believe I answered that in a interrogatory, and I mentioned that it was in South Florida Hospital's fifth set, No. 243, and we said there was approximately $36 million annually. The exact -- the more exact figure is 36.9 million.

Q Okay. And I believe you said that happens in year 2014?

A 2014. That is correct.

Q Could you please explain to me how the savings are reflected in rates?

MR. BUTLER: Sorry. Rates. You mean current rates or in our proposed, you know, our test year proposal?

BY MS. HARTMAN:

Q In your test year proposals.

A They would -- the savings -- I mean, all the costs that I mentioned in 2009, 2010, and 2011, along with the savings, were -- are reflected in the forecast that is included in our filing.

MS. HARTMAN: I'm sorry. We need a second.

BY MS. HARTMAN:

Q Ms. Santos, since net savings are not realized in a test year, how will customers realize savings from the AMI implementation after 2010?

A You're saying after 2010 how will customers realize savings; is that what you -- what your question is?

Q Yes, it is.

A Well, I mean, there's two pieces. I mean, this project has quantitative benefits and qualitative benefits. So the savings that I enumerated to you earlier were the quantitative benefits. But our customers, you know, after the test year, and actually throughout the test -- during the test year and, you know, as we speak now with the meters that we have already installed, you know, will be receiving lots of qualitative benefits, because the AMI meters allow customers to be able to understand their energy consumption, and a customer needs to know much they're using on a monthly basis. And with these meters they will be able to understand how much they're using every day, and not only every day but every hour, so they'll be able to understand how they're using energy as a result of these meters. And the systems that we will be integrating, we will be able to detect outages more quickly. We'll be able to reduce estimated bills. We won't have to go into customer's homes. So there's a myriad of benefits that our customers will be receiving as a result of this project.

Q Ms. Santos, would those benefits apply to a customer who has not yet received an AMI meter?

A Say that agin. I'm sorry. These benefits would not --

Q Would they apply to a customer who has not yet received an AMI meter?

A No. The benefits that I mentioned are for customers once they receive the AMI meter. Those are the benefits of us doing this project.

Q Will AMI lead to more automation and a reduced number of calls to the customer care centers?

A Yes. We are expecting that the calls will be reduced, and actually that has been factored into the savings numbers that I provided to you earlier.

Q Is FPL planning to reduce the number of employees located in the customer care centers as a result?

A We have taken some employee savings in the care center as a result of this project.

Q I'm sorry. Can you --

A You didn't hear me?

Q No. Can you just answer the question? Is FPL planning to reduce the number of employees?

A Yes.

Q By how many?

A You're only specifically asking me for the care center employees?

Q Well, can you tell me how many -- how many employees FPL is planning to reduce as the result of implementation for AMI?

A Okay. Yes. Just give me a minute. So you're interested in knowing all of the -- how many in total employees we're expecting to reduce as a result of AMI; is that correct?

Q That is correct.

A Okay. Because you were going down the care center, and actually the care center is a very small piece of that. So if you just give me a minute, I'll get you that information.

And you're interested in test year or the whole time after implementation?

Q The whole time.

A Once everything is implemented, about 654 employees.

Q 654?

A Is the reduction. You need to note that we will also be adding some employees because of AMI. So what I'm telling you is the number of employee that will be reduced, the functions that will go away. What you also need to note is that we also will be adding employees, because now we'll be having, you know, this automated network that we will need to manage. So it's a whole new -- it's a different way of doing business, so you have, you know, some functions that you no longer need but then you have now new functions that you need. The 654 is what would be reduced, the types of -- the functions that would be reduced.

Q And when will the 654, when will that reduction begin, what year?

A The reduction begins -- well, actually it begins -- that number is the number beginning in 2009.

Q Can you give -- do you have reduction by year?

A Yes, I do.

Q Could you please give that to me?

A Sure. Okay. In 2009 we're expecting 9-and-a-half employees. The numbers that I'm quoting you are what we call full-time equivalents, FTEs. In 2010, 51.9; in 2011, 104.9; 2012, 211.9; in 2013, 222.6; 2014, 53.5. And that should total to 654.2.

Q And, Ms. Santos, I also believe you mentioned that as a result of AMI FPL might be hiring new employees as a result of new needs with regard to the new technology; is that correct?

A That is correct.

Q Do you also have a similar breakout by year of new employees that FPL plans to hire for AMI metering?

A Yes, I do.

Q Could you give me those numbers by year also, please?

A Sure. 2009, it's 29.5; 2010, it's 17.9; 2011 is 26; 2012 is 3.3. Then this gets tricky, because in 2013 and 2014 some of those positions go away, so then I'm going to give you negative numbers actually in 2013. It's a negative 4.6, and in 2014 is a negative 40.8.

And so the cumulative during that time period is 31.4.

And just so you know what's going on, is you know, for the deployment, as we're deploying, some of those new employees are part of a deployment team, and then, you know, that is reduced as the years go out.

Q Ms. Santos, does the 654 number that you quoted to me, does that incorporate the second set of new employees, or is that separate and apart?

A They're separate and apart.

Q Thanks.

A So we will be -- the way that we looked at it is so existing positions, so the 654, you know, existing positions that will be reduced, and then the numbers, the one that was the cumulative 31.4 is new positions that come up as a result of the project. So you would need to net those two if you want to have, you know, the net impact.

Q We need a minute. Please hold on.

A Sure.

Q Ms. Santos, are you familiar with the grants available from the Department of Energy for smart grids?

A Yes, I certainly am.

Q And I may be saying DOE instead of Department of Energy. Is that okay with you?

A Yes, that's perfect.

Q Okay. Has FPL applied for grant money from DOE for smart meters?

A Yes, we did.

Q And are there two -- well, are there two different types of grants available for -- for smart grids from DOE; do you know?

A Yes.

Q Okay. Are the two different types smart -- a smart grid demonstration project and then also a smart grid investment plan, or small grant investment plan?

A Yes.

Q Okay. Has FPL applied for grant -- for both grants?

A No, we did not.

Q Okay. Which -- go ahead.

A Just one of the grants.

Q I'm sorry. Can you tell me which -- which grant FPL applied for?

A We applied for the Smart Grid Investment Grant.

Q Ms. Santos, let me clarify something. FPL did not apply for the Smart Grid Demonstration Project Grant; is that correct?

A That is correct.

Q Okay. FPL only applied for the Smart Grid

Investment Grant?

A That is correct.

Q Okay. How much -- how much money, grant money did FPL request for the grant that it applied for?

A We requested $200 million.

Q Do you -- do you know if your grant request has been awarded?

A Yes, I do. It has not. We have not received any information from the DOE to date, and do not expect that, you know, to occur until probably the late October, early November time period.

Q Of 2009? Of this year?

A Yes. That's the expectation. I mean, you know, anything can happen, but that's the expectation we received from the information the DOE has put out.

Q And when -- and when would those -- those funds -- if awarded, when would those funds become available to FPL?

A If awarded, the way that it would work is that as we, you know, start the project that we laid out in the grant proposal, you know, we would essentially bill, if you will, the DOE as we spend the money, and they will reimburse us for that -- those expenditures.

Q What -- what time periods are we talking about?

A The grant that we filed is for the 2010 and 2011 time period.

Q Do you know if the grant money will be used to offset money in rate base?

A Yes. It will not. Let me clarify that. When you said base rates, I'm assuming that you mean the monies that we put in our forecast in the filing, you know, that you have. And the money -- the grant that we have requested is for projects that are incremental to the projects that are included in our forecasted request in front of the PSC.

Q I'm sorry, Ms. Santos, could you please clarify that for me?

A Sure. I'll try it -- I'll try it one more time. We have requested from the DOE $200 million in funding for projects that are incremental, the AMI dollars that we have included in the rate case forecast. So would you like me to expand on that some more?

Q Yes, please.

A Sure. So, for example, the $200 million includes approximately $79 million for transmission and substation intelligence types of work. So it's really around the transmission system and making that smarter. It also includes about $40 million for the distribution system, and there is things like automated feeder switches and those types of things to add intelligence to the distribution system. Those two pieces are not at all included in the rate case forecast.

It also includes 61 -- approximately $61 million for AMI, but the AMI that that $61 million is related to is incremental to what is in our forecast. It includes two pieces. One of the pieces is about 85,000 or so commercial, large commercial meters that we would be installing in Miami-Dade County, and that would -- that is not in the rate case forecast. It also includes the acceleration of 150,000 meters in 2010 -- of each year, 2010 and 2011. So a total of 300,000 additional meters that we would be installing in our service territory that also is not included in the rate case forecast. And that includes some small dollars, smaller dollars for enhancements to a web portal and things like that.

So all those things that I talked about are not included in the rate case forecast.

MS. HARTMAN: John, could we please get a late-filed exhibit with the breakout of the grant fund, so we can kind of see what is -- what is going to be in -- in the -- what's included in the test years and what isn't in terms of these grant monies?

THE WITNESS: We will be glad to -- I mean, John, go ahead. I'm sorry. We will be glad to do that. But just so that you know, in the grant which we provided, I do not remember what POD that was or interrogatory, but we did provide you with a copy of our grant application. And in that grant application there's a very nice chart that lays this out in exactly the, you know, the detail I gave you. And we will be glad to provide that to you.

MR. BUTLER: We can just give it as a Late-Filed Exhibit 1.

MS. HARTMAN: Great. Thank you. But will that -- will that portion explain what goes into rate base? I know it --

MR. BUTLER: Yeah.

MS. HARTMAN: -- it has a breakout. But will we be able to identify it in --

THE WITNESS: Well, the piece that I'm telling you, the AMI piece, is the one that -- well, none -- none of it actually is in the rate case forecast. The entire $200 million that we're requesting is not in the rate case forecast.

MR. BUTLER: So I guess, Jean, we're going to that point. This won't have on it what is going in rate base. See, that's not what was subject to the grant application. So this will show the breakdown of the subject to the grant application, just with the understanding, as Ms. Santos has testified, none of that is what is included in the rate base request. We'll show that -- I mean, we'll show each of the pieces that is in the grant application on this exhibit.

(Late-Filed Exhibit No. 1 was identified.)

MS. HARTMAN: Okay. Thank you.

MR. BUTLER: Certainly.

MS. HARTMAN: Can we pause for a second, please?

MR. BUTLER: Sure.

(Off the record.)

BY MS. HARTMAN:

Q Okay. We're back.

Ms. Santos, does FPL have any discretion about how the grant money is applied?

A We had laid out to the DOE how -- you know, how we plan to spend the money and they'll be making the decision on granting us the money. So, I mean, I would think that, you know, they would expect us to do, you know, what we laid out in the grant.

I mean, we filed it, you know, this way, because if you read everything from the DOE, the purpose is really to stimulate investment. It's really to do new things, incremental things. It's really not to pay you for things that you were already doing, because that wouldn't stimulate the economy. So -- you know, because we felt really what the DOE was looking for.

Q Thank you. Could you please refer to page 4 of your direct testimony, page 4, line 11 through 14, and let me know when you're there, please?

MR. BUTLER: This is the part that starts "our field operation group"?

MS. HARTMAN: Exactly.

A I'm there.

BY MS. HARTMAN:

Q Could you please read that line for me?

A Line 11 through 14?

Q Yes.

A Okay. "Our field operation group provides face-to-face services and has recently implemented a new system to reduce the average speed of appointment time to meet with the customer and improve the overall interaction."

Q Will the reduced appointment time result in reduced cost?

A Yes, the reduced appointment time was -- is €

something that will reduce cost. You know, it was really done mostly to improve service and the quality of the service that we're providing our customer. But if that -- what we did here did have some improvements to cost also.

Q Has the reduced cost been reflected in the expense projections for 2010 and 2011?

A Yes. It's something that I -- that I referred to in those lines actually was implemented in -- I want to say 2008, I believe, subject to check.

Q And have further decreases in the average speed appointment been include in expense projections for 2010 and 2011?

A Can you repeat that, please? I'm sorry.

Q Have -- have further decrease in the average speed of appointment time been included in the expense projections for 2010 and 2011?

MR. BUTLER: Further in what sense?

THE WITNESS: Yeah.

MR. BUTLER: Are you asking that it was initially implemented you had a certain level of reduction, now is there some further level of reduction of appointment time?

MS. HARTMAN: Yes, that's what I'm asking. Thank you.

A We saw the appointment time improve when we implemented the system and as we, you know, put in new processes and all of that. But for 2010 and 2011, we did not expect any significant changes in that.

BY MS. HARTMAN:

Q Please refer to page 5 of your testimony, line 23, the very last word of the sentence, "the."

A Got it.

Q Okay. And if you would just read, read from "the" to line 4 of page 6 for me.

A Okay. "The increased spending in customer service, including levels above the Commission's benchmark, is reasonable and necessary and supports FPL's need to increase base rates to a level that would allow FPL to continue providing high quality and value of service at reasonable rates."

Q Ms. Santos, does the increased spending result in higher base rates for the customer?

A Yes.

Q If I could refer you to page 16 of your testimony, lines 11 through 16, if you could please read those.

A "In addition to providing customers with an alternate option to doing business using self-service telephone applications, IVR technology also results in a significantly reduced cost for transaction since there is no manual intervention required to complete a transaction performed over the IVR. For example, in 2008 over $15 million in avoided costs were realized as a result of customers utilizing the various self-service telephone applications instead of speaking directly with customer service representatives."

Q What does IVR stand for?

A Interactive voice response units.

Q Have the cost reductions experienced in 2008 been reflected in the expense projections for 2010 and 2011?

A Yes. Would you like me to clarify that or you just want me to answer?

Q You can clarify. That would be great.

A Okay. I just wanted to be sure. What I was doing here was just providing an example -- I mean, the IVR is our automated system at the call center that handles calls in an automated fashion. So every single call that that system handles we don't need to have a live agent handling, because obviously it's more expensive.

So all I was trying to say here is that through time, over time, we have made improvements to that system to the point that if you look at it now, you know, in 2008, if you look back you say, oh, by God, I have deferred the need to hire, you know, a lot -- I don't remember what the exact number was, but a lot of representatives and actually the system is saving me $15 million. So it was just, you know, more of an -- you know, an example to show how much that system has saved us.

Q Have further decreases in costs resulting from the use of IVR been included in the expense projections for 2010?

A Our IVR -- I don't think there's much there as far as additional cost reductions for the IVR, and let me tell you why. Our IVR is already ranked, actually as far as the percentage of calls handled, in top quartile, and it might be a second class. I'd have to check on that. So we already handle an enormous percentage of calls in an automated fashion. And actually just recently E Source ranked our IVR number one in an industry survey of 95 utilities.

Q Ms. Santos, if you could go back to page 15 of your testimony, line 5, beginning with "in 2008" and read that through just -- through the end of the paragraph, please.

A "In 2008, business conducted self-service telephone applications increased by over 750,000 transactions from 2006, a 7 percent increase. As a result, 60 percent of all phone calls were conducted through our self-service telephone applications in 2008."

Q Do you expect further increases in self-service telephone applications, or have those -- do you expect further increases in self-service telephone applications have been reflected in the expense projections for 2010 and 2011?

A Any changes that we expect in the self-service telephone applications have been reflected in 2010, 2011. We do not expect significant increase in the percentage of calls handled in this automated fashion.

Q And have further decreases in costs resulting from the use of IVR been included in the expense projections for 2010 and 2011?

MR. BUTLER: Jean, I think she just answered that.

MS. HARTMAN: Oh, yeah. I apologize. Could you hold on a second, please?

MR. BUTLER: Sure.

(Off the record.)

BY MS. HARTMAN:

Q If I can ask you to go to page 17 of your testimony, the middle paragraph, lines 12 through 16.

If you could read those for me.

A "In addition to the success of our IVR automated application, over 12.2 million customer transactions were conducted in 2008 through our automated Internet applications. By offering a wide variety of automated applications we're providing customers with options that make doing business with FPL easier while at the same time reducing our costs."

Q Have the cost reductions experienced in 2008 been reflected in the expense projections for 2010 and 2011?

A Yes.

Q Have further decreases in costs resulting from the use of the Internet been included in the expense projections for 2010 and 2011?

A You know, the way that we do the forecast for our call volume and all is, you know, we do projections of how many calls. So, you know, whatever we would have -- we would be expecting in this area, it would sort of be built in, you know, based on history. So the answer I think is yes. We -- you know, it wasn't specifically laid out as an item.

Q Is that a no?

A Well, the answer is a yes, but I'm just trying to explain it to you, that it's a yes, but it wasn't, you know, done as specific, you know, item that we addressed.

Q I'm sorry. Can -- can I read the question back and can you just give me a yes or no, and then a -- then give me the more --

A Yes, I'm sorry, sure.

Q Let me read it again. Have further decreases in costs resulting from the use of the Internet been included in the expense projections for 2011?

MR. BUTLER: I'll just note for the record that Ms. Santos did give you a yes answer twice. But if you want, she can answer the question again.

BY MS. HARTMAN:

Q I'm sorry. I was confused. I heard a yes and a no. So if she could just --

MR. BUTLER: The only no that was said was by you.

MS. HARTMAN: If she could just answer again I'd really appreciate it.

MR. BUTLER: Fine.

A Okay. Yes.

BY MS. HARTMAN:

Q Thank you.

MS. HARTMAN: Hold on, please.

(Off the record.)

BY MS. HARTMAN:

Q Ms. Santos, if you would look at page 18 of your testimony, line 20, beginning with the words "residential inquiries."

A Through what?

Q Through line 23.

A Would you -- you want me to read that?

Q Yes, please read that.

A "Residential inquiries resolved on the first contact increased from 76 percent in 2006 to 79 percent in 2008, and business inquiries resolved on the first contact increase from 72 percent in 2006 to 79 percent in 2008."

Q Have the cost reductions experienced in 2008 been reflected in the expense projections for 2010 and 2011?

A Yes.

Q Have further decreases in costs resulting from increases in inquiries resolved on first contact been included in the expense projections for 2010 and 2011?

A I have to check on that. I'm not sure.

MS. HARTMAN: Could we get a late-filed exhibit with that response?

MR. BUTLER: Do you have a title?

MS. HARTMAN: Cost savings associated with first -- first call answer. Did you get that?

MR. BUTLER: Yes.

MS. HARTMAN: Great.

(Late-filed Exhibit No. 2 was identified.)

BY MS. HARTMAN:

Q And, Ms. Santos, if I could refer you to page 27 of your testimony, line 1, if you would just read the first line for me.

A "Another payment assistance program is FPL Care to Share, which FPL established in 1994."

Q Are the costs to administer this program included in revenue requirements for this -- for this case?

A Yes.

MR. BUTLER: Just to be sure. You're asking about the administration of it, not the contributions that were made into it, but the administration of it, right?

MS. HARTMAN: Yes.

A Yes, that's correct.

BY MS. HARTMAN:

Q What do the costs to administer this program consist of?

A The costs are very minimal and just consist of, you know, the person that we have that, you know, deals with the promotion of the program and the administration of the funding to the various agencies and those types of things.

Q Are any costs of this program included in the revenue requirement in this case?

MR. BUTLER: What was that?

THE WITNESS: Say that again?

BY MS. HARTMAN:

Q Are any costs of this program included in the revenue requirement in this case?

MR. BUTLER: I think that's the question she just answered.

A I answered it right before, yes.

BY MS. HARTMAN:

Q Can you quantify it for me, please?

A I don't have that with me.

Q Can we get a late-filed exhibit on that, please?

MR. BUTLER: Is that something that can be quantified?

THE WITNESS: We -- you know, we can estimate it.

MR. BUTLER: Okay. We can do that.

MS. HARTMAN: Okay. What do you want to title this? Care to Share --

MR. BUTLER: Expenses of administering the Care to Share program?

MS. HARTMAN: Sure. Thank you.

(Late-Filed Exhibit No. 3 was identified.)

BY MS. HARTMAN:

Q Ms. Santos, going back, could you please look at page 15 of your testimony, line 21 going through page 16, line 2? Could you -- the sentence beginning, "FPL has also recently invested," and read that line for me?

A "FPL also recently invested in upgrading the IVR technology. The new platform is designed to improve usability of the IVR applications and provide integration capability with future applications such as voice recognition."

Q Does your testimony mean that there will be future cost savings?

A There may be future cost savings. We have not identified any.

Q Thanks. Shifting subjects a little bit, I wanted to ask you about the coverage that FPL Energy Service provides to FPL customers.

A Can you -- coverage, can you explain that, please? I don't understand what you mean.

Q Let me ask this question. Does FPL Energy

Services, Inc. provide services for the customers of FPL?

MR. BUTLER: What sort of services are you referring to?

BY MS. HARTMAN:

Q Type of service such as surge protection?

A I mean, FPL, yes, provides services like surge protection to all of its customers throughout Florida, some of which, you know, may be -- or are FPL customers.

Q Okay. Does FPL do any billing for FPL Energy Services within the monthly regulated bill?

A Yes. Yes.

Q Does FPL do any bill stuffers or flyers for FPL Energy Services within a monthly regulated bill?

A We get compensated for doing that.

Q So the answer is yes?

A Yes. I said yes. You didn't hear me? I'm sorry if you're having trouble.

Q Does FPL charge FPL Services for billing -- I think you indicated they charge for billing services and for providing bill stuffers and flyers; is that correct?

A (Inaudible.)

Q Ms. Santos, I think we lost you.

A Sorry. I said yes.

Q How is the billing to FPL Energy Services from

FPL determined?

MR. BUTLER: I think that that is a question that is better for and in fact was asked of Ms. Ousdahl yesterday.

BY MS. HARTMAN:

Q With respect to the coverage that FPL Energy Services provides to FPL customers, is there a limitation on damages or exclusions?

A Are you referring to one of the insurance programs? I don't understand your question, so I need some clarification. Damages? I'm just not sure what --

Q Sure. With respect to insurance coverage that FPL Service -- Energy Services provides FPL customers, is there a limitation on damages or exclusions?

A I -- I believe so, but I couldn't tell you the details of that.

Q Who -- who would be able to give me the details on that?

MR. BUTLER: Yeah. I'm not sure there is going to be anybody among our witnesses, Jean. This is a product offered by FPL Energy Services. FPL, you know, as you noted, is involved in billing and providing bill stuffers for it, but it's not an FPL product or project, and so we don't really have anybody whose role is to testify as to what FPL or other third parties do in that area.

MS. HARTMAN: John, are you saying that they don't -- they don't -- that FPL puts the inserts in the bills but they don't know what kind of services or they're not -- no one at FPL would be -- and I know you're not the witness -- but you're saying no one there would understand the details of the program that they're in part advertising by putting them in the bills?

MR. BUTLER: I think that we would -- it's a fair question. Ms. Santos is probably the best witness on the general outlines of what is provided. Obviously FPL knows and cares about the programs that are being -- I mean, it's involved in promoting or helping FPLES to promote. But, you know, when you start getting into details like what are the specific exclusions in the policies, that's a level of detail that, you know, I don't know that we're going to have anybody who can answer questions about that.

BY MS. HARTMAN:

Q Well, can I -- let me ask her then if there's anyone at FPL that she knows who would be familiar with the details involved in the program.

A Well, I mean, I can probably -- the program has a lot of materials in it. We can, you know, we can get the information and --

MR. BUTLER: Well, let's see what Ms. Santos can provide. If there's some particular detail that you need that we don't have, maybe we can give it to you as a late-filed exhibit.

BY MS. HARTMAN:

Q Okay. Ms. Santos, has -- has FPL received complaints about the FPL Energy Services coverage -- or I'm sorry. Let me go back.

Has FPL received complaints about FPL Energy Services?

A Yes.

Q Do you know how many complaints FPL has received?

A Off the top of my head I don't know. But it's not much, I can tell you.

Q When you say not much, is that approximately 100, approximately 10?

A I mean, I look at -- you know, a complaint, you know, data as a whole. It's -- it's a very small, you know, small percentage is what I'm referring to when I say that it's not much.

Q Can you give me an approximate number? I'm not a customer care --

A No, I understand.

Q -- expert.

A In my -- I just don't have the number, you know, in my mind. I can just tell you that I know that as I've looked at that data throughout the years, you know, I -- you know, the takeaway that I've always gotten is that, you know, there just really hasn't been much there. So unfortunately I do not remember a specific number, so I can't tell you that. But I can tell you, you know, what I do remember what -- you know, of having seen that in the past and it's always having the feeling of, you know, it's really not an issue there.

MS. HARTMAN: Could I get a late-filed exhibit with the number -- with a number of complaints received by FPL about FPL Energy Services?

MR. BUTLER: I think we'll probably show it to you also in a percentage basis. I think it's probably more relevant. But sure.

MS. HARTMAN: Sure. Okay. Great.

BY MS. HARTMAN:

Q I'm sorry. Do you know how the FPL's Energy Services limitations are communicated to the customers?

MR. BUTLER: I'm sorry, before we go on, let me just identify. That was Late-Filed Exhibit 4 is what my records show. Call it customer complaints regarding FPLES products?

MS. HARTMAN: Yes. Thank you. Okay.

(Late-Filed Exhibit No. 4 was identified.)

THE WITNESS: Can you repeat that? You said --

BY MS. HARTMAN:

Q Sure.

A I'm not understanding exactly what you're talking about and if it's a specific program of FPL Energy Services or just in general of FPLES? I'm just not sure what you're --

Q Let me go back to my original line of questions for you on the FPL Energy Services program. Who -- who is the FPL employee in the best position to be familiar with the coverage that FPL Energy Services provides to FPL customers?

A Coverage. This is I guess where I'm having trouble. FPLES has several insurance type programs that they sell to customers.

Q Right. And with regards to the advertisements that FPL puts in its billing -- puts in its bills, who is the FPL employee who has the most knowledge about the coverage that FPL Service -- Energy Services provides?

MR. BUTLER: Now, Ms. Santos was in the middle of answering your last question when you just asked the one you asked. Which one do you want her to address?

MS. HARTMAN: Why don't we start with the last one I asked.

THE WITNESS: Okay.

MR. BUTLER: Okay.

THE WITNESS: As far as who's the best FPL employee?

BY MS. HARTMAN:

Q To answer questions about the coverage of the FPL Energy Services that FPL Energy Services advertised -- advertises in billing inserts provided to FPL customers and FPL bills to customers.

A I think probably it would be me. So go ahead and I'll do my best.

Q Can you explain to me generally about the coverage and the service provided by FPL Energy Services to FPL customers?

MR. BUTLER: Jean, for what? Do you want her to summarize -- I mean, to start with what the products that are offered and then generally what those coverages are? They're different products.

BY MS. HARTMAN:

Q Yeah. I'm interested in whatever gets advertised and is put in as an insert in FPL bills to customers. So if you -- if it's a -- if it's -- if there's a program that's advertised in an insert that goes to an FPL customer, I'm interested in -- I'm interested in that coverage.

A Okay. So specifically any program that would be included in a bill -- same in advertising in a bill insert for FPL Energy Services, right?

Q Right. Whatever -- and I don't know how many different types of inserts FPL --

A Do you know how -- I mean, the way that this program works, it's not just FPL Energy Services that we provide these bill inserts for. It's a slew of other customers. I mean, you have customers like GEICO, you have, you know, Home Depot.

Q Sure. No, I understand. I'm only interested in the FPL Energy Services inserts.

A Right. So, I mean, but it's sort of similar to that. I mean, I couldn't tell you details about Home Depot. I couldn't tell you details about GEICO and their coverage and all of that. So I'll do my best at answering you to what I know.

So for FPLES, there's two insurance programs that we have included in -- are Surge Shield and Power Surge. And Surge Shield is a service -- a service which protects the, you know, customers' appliances within their home from power surges. And the other program is Power Surge Insurance, and that service, which compensates customers for repairs or losses to their appliances that are in their home, to have lightning strikes or power surges.

Q Okay.

MS. HARTMAN: Could we please get a late-filed -- two late-filed exhibits, and can those exhibits be the two flyers or -- I don't know if there's one flyer or two, that -- for the FPL Energy Services program? I don't know if one flyer has the Surge Shield and the Power Surge or if there's two separate flyers. But could we get a copy of those, please?

THE WITNESS: Yes, each -- it would be two separate flyers. So we can get that to you.

MS. HARTMAN: Great. And guess we'd call them FPL Energy Services, I don't know, Surge Shield flyer, or FPL Energy Services Power Surge flyer. Would that work?

THE WITNESS: I think so.

MS. HARTMAN: Great.

MR. BUTLER: Sure.

(Late-Filed Exhibits 5 and 6 were identified.)

BY MS. HARTMAN:

Q Do you know how the -- do you know how the terms of the coverage of these two programs are communicated to the FPL customers, beyond the flyers?

A I don't.

Q When you -- in terms of the complaints that you receive from customers for -- regarding the FPL Energy Services, do you -- do you have a breakdown of kind of what types of complaints they have about FPL Energy Services?

A I have it by program, you know, by type of service that they provide.

Q Okay. But if -- if a particular customer called and complained about surge protection or complained about a limitation that they didn't know about, would you be able to -- would you be able to identify that particular complaint within your database of complaints?

A Yeah. I mean, we can definitely provide you with the details that we have.

MR. BUTLER: Why don't we just do this, Jean. We know we've got Late-Filed Exhibit 4 on customer complaints.

MS. HARTMAN: Okay.

MR. BUTLER: Just provide what we have in the way of, you know, the breakdown between the programs and the nature of the complaints.

MS. HARTMAN: Okay. Thank you.

BY MS. HARTMAN:

Q Ms. Santos, do you know what the pricing is for the services provided by FPL energy savings? Do you know the operation for both -- for either program or both?

A I do not remember that.

Q Would the flyer indicate the pricing?

A Yes. Yes, it does.

Q Okay. Do you know how many customers are currently taking -- are enrolled in these programs from FPL Energy Services?

A I don't have that data with me.

Q Could we get a late-filed exhibit on --

A I mean, that would be FPL Energy Services' data.

MR. BUTLER: I think -- do you have the data?

THE WITNESS: I do not.

MS. HARTMAN: Hold on, please.

BY MS. HARTMAN:

Q Do you know how many customers you add FPL Energy Services --

A I'm sorry?

Q Do you know -- would FPL bills -- FPL bills FPL customers for FPL Energy Services' customers, right?

MR. BUTLER: For FPL Energy Services products?

MS. HARTMAN: Yes.

BY MS. HARTMAN:

Q I mean, it showed -- the customer -- if the customer enrolls in the FPL Energy Services program, that price -- the price for that program, the price for that service shows up in their FPL bill, correct?

A Yes, for the programs that we provide that service for, that is correct.

Q So you -- you should be able to identify how many FPL customers are enrolled in the FPL Services programs, because you bill for it, you do the billing. So you should be able to tell me how many FPL customers are currently enrolled.

A Yes, you're right. I hadn't thought of it in that perspective. I mean, it's not something that I have that I see. But I can probably, you know, I could try to get that information in that manner.

MS. HARTMAN: Great. Could we get a late-filed exhibit with that -- the number of customers that FPL bills that are currently enrolled in either of the FPL Energy Services programs?

THE WITNESS: Yes.

MS. HARTMAN: And I guess we could call it FPL Energy Services customer -- number of customers billed.

MR. BUTLER: How about just number of customers currently billed for FPLES products?

MS. HARTMAN: I like that even better. Thank you.

(Late-Filed Exhibit No. 7 was identified.)

BY MS. HARTMAN:

Q Ms. Santos, do you know what is FPL Energy Services' gross profit margin on these services?

A I don't.

MS. HARTMAN: Okay. If you'll hold on for a minute, I think we're almost done.

(Off the record.).

MS. HARTMAN: Thank you, Ms. Santos. That's all the questions we have for you today. But I understand that this deposition's been cross-noticed, so there may be other questions.

MR. BUTLER: I'm sorry. Can we take a short, like five-minute break here before we go on to the next questions?

MS. HARTMAN: Sure.

MR. BUTLER: All right. Very good. Thank you.

(Break taken.)

MS. HARTMAN: Hi. This is Jean. Thank you for waiting. We're ready to go.

MR. BECK: Okay, Jean, thanks. Should I go next, or -- I'm ready to go, but if someone else wants to go, I'm good with that too.

MR. BUTLER: You have the honor.

MR. BECK: All right.

EXAMINATION

BY MR. BECK:

Q Ms. Santos, good morning, and thank you for attending this morning.

A Good morning, Mr. Beck.

Q Ms. Santos, you're vice president of customer service for Florida Power & Light Company; is that correct?

A Correct.

Q Okay. Are you also president of FPL Energy Services?

A No, I am not.

Q Have you been? Have you had that position in the past?

A Yes, I have.

Q Okay. When did you hold that position?

A I held that position beginning 2005 through March of 2009.

Q Okay. And who is -- and in March 2009, who became president of FPL Energy Services?

A Eric Silagy.

Q Are you a director of FPL Energy Services?

A No, I am not.

Q But you have been previously; is that correct?

A Yes. I'm sorry. I said yes. I guess you didn't hear me.

Q No. I think sometimes the phone doesn't connect. You say it but it doesn't come through. I was noticing that earlier in the deposition as well. So if I repeat, it's just because it's not coming through.

And were you director of FPL Energy Services during the same period of time that you were president?

A No. I think I was a director previous to that. I don't remember those dates, if you were going to ask me that.

Q Well, I'll leave it at that. Are you currently the president of FPL Energy Services II, Incorporated?

A Not that I know of.

Q Do you know whether you've been that in the past?

A I would have to check on that. I'm not sure the -- what that corporate entity is, so I'd have to -- we'd have to check on that.

Q Okay. How about FPL Enersys Inc.? Are you president of that company?

A I don't know if on paper I am. I have no dealings whatsoever with anything related to FPL Energy Services. I haven't had anything to do with that since March of this year. So, you know, I don't know if, you know, all the paperwork was done properly to get all of that taken care of.

MR. BUTLER: You mentioned FPL Energy Services. Did you mean FPL Enersys. Because that's what Mr. Beck -- that's what you were asking about, right, is FPL Enersys, Charlie?

MR. BECK: Yes. And just for reference, I'm going by an exhibit that was filed by Florida Power & Light in the gas transmission case, and it's also KHD-6 in this case, work affiliations of the officers of FPL.

BY MR. BECK:

Q Ms. Santos, what I was asking about was FPL Enersys, Inc. You say you're not currently president of that company?

A I have not been -- my understanding is that when I stopped being president of FPL Energy Services, all the other, you know, associated companies, like FPL Enersys, FPL Service, you know, my association with all of those stopped also.

Q Okay. Do you know how or what business or businesses FPL Enersys was engaged in?

A FPL Enersys? I mean, I would -- it's been a long, long time ago when that company was established, and I need some performance contracting type of work.

Q Can you expand on what you mean by contracting work?

A It's performance contracting, so that's like -- it's a one-stop shop for the customer to get energy efficiency types of services into their businesses. Like, you know, changing out lights, putting in high-efficient air conditioners, those types of things.

Q Okay. And are you or have you been president of FPL Services, LLC?

A I believe so.

Q Okay. Could you tell me what types of businesses FPL Services, LLC is engaged in?

A Performance contracting, similar to what I had mentioned earlier.

Q Okay. And how does that business differ from the one that you described for FPL Enersys?

A I don't believe there is much difference. I think it was just a matter of when the companies were formed. But I don't have that history. I don't go back that much, you know, with my relationship with the company.

Q Okay. And if you know, do you know how the businesses of FPL Energy Services II, Incorporated differ from FPL Energy Services, Inc.?

A I do not.

Q Okay. I believe in response to some questions by Ms. Hartman, you -- you described some of the billing services that Florida Power & Light Company performs for FPLES; do you recall generally that?

A Yes.

Q Could you tell me which services or products provided by FPL Energy Systems use the billing system of Florida Power & Light Company?

A I just need a moment, please.

It's several. And we've got a program called Payment Power, which is an insurance program. There's a Power Surge, which is another insurance program which I -- that's one that I talked about earlier. Utility Guard, which is also an insurance program. Appliance

Protection Plus, which is also I believe called Appliance Guard. There's another by the name of Surge Shield. Miami Herald Billing, which I don't believe that's still happening, but it was happening.

Q I'm sorry. Could you -- which one was that?

MS. HARTMAN: Ms. Santos, I'm sorry. You're fading again. Our court reporter can't hear you.

A Miami Herald Billing, which is no longer --

MR. BUTLER: Sorry. Let me interject here. I think -- and, Charlie, correct me if I'm wrong. I think he's only asking for FPLES products that FPL was billing for. Was that an FPLES product, the Miami Herald?

THE WITNESS: Yes.

MR. BUTLER: Okay. I'm sorry.

A Yes. Let's see. I think that's it.

BY MR. BECK:

Q Could you describe the Miami Herald program you just mentioned?

A Sure. I'll tell you what I know -- remember about it. The Miami Herald program is one where our -- we provide -- well, FPL Energy Services provides the option to customers to pay their newspaper subscription on the FPL electric bill.

Q Okay. How long was that program in effect?

A I don't recall the exact time, Mr. Beck.

Q Was it in effect until a recent time period, if you know?

A We -- we -- it was this year when we stopped that service, but I don't remember, you know, when we started it.

Q Okay. Each of the other services you mentioned, the Payment Power, Power Surge, Utility Guard, Appliance Protection, and Surge Shield, those are all services that are provided by Florida -- FPL Energy Services; is that correct?

A Yes, that's correct.

Q Okay. But the Miami Herald billing I guess is provided by FPLES, but it in fact is doing a service for customers for the Miami Herald. Is that -- there's a difference there between that service and the others, is there not? That you're involving an outside company?

A But it's still -- I mean, it's still -- FPL Energy Services is still the one, you know, that is, you know, preparing the Miami Herald for the customer and dealing with all of that and receiving any margins associated with that.

Q Okay.

A And, for example, the insurance programs have other companies associated with them, also have the insurance provider associated with them, so --

Q Okay.

A It's the way it's titled. That might be --

Q To your knowledge, has FPL Energy Services ever done a program for -- that involved other companies other than for the Miami Herald?

A Say that again, Mr. Beck.

Q Well, I'm wondering -- Miami Herald is an example of where FPL Energy Services was providing a service that related to an independent business, and I'm wondering if there are any others other than the Miami Herald.

MR. BUTLER: Where FPL would have been doing the billing for --

MR. BECK: Yes, yes.

A Yes, I believe that's the only one, yes.

BY MR. BECK:

Q And as I understand it from Ms. Ousdahl yesterday, that FPL Energy Services pays Florida Power & Light Company through a cost allocation procedure based on the number of lines in the bill. Is that your understanding as well?

A Uh-huh. Yes, that's my understanding.

Q If a customer were to make only a partial payment and not pay for one of the items being charged for FPL Energy Services, could their electric bill be disconnected for that?

A No. We have made provisions in our systems to ensure that that would not happen.

Q Have you had occasions where that's occurred?

A Not to my knowledge.

Q Okay.

A I don't recall ever seeing that as an issue.

Q What are the provisions in your systems that prevent that?

A We have -- the way that we account for payments, we ensure that that -- that if customers are owing that amount -- an amount for any of these programs, that if that's the amount that is, you know, part of the disconnection, you know, they would not get disconnected. I mean, it's excluded, that amount is excluded from their amount to be disconnected.

We did that, you know, many, many years ago when these programs were started and the programming was done around the introduction of these types of programs, because we wanted to be sure that we never disconnect a customer, you know, because of any of these programs.

Q Okay. Ms. Santos, I want to change the line of questioning and ask you to refer to the spreadsheet that we discussed earlier, which is a spreadsheet provided in response to OPC request for production 231, it's called in territory gas contracts final with payment schedule.

A Okay. Give me a second, please.

Q Sure.

A Okay. I have it in front of me.

Q And this spreadsheet, among other things, shows the basis for the sale price of the gas contracts from Florida Power & Light to Florida Power & Light Energy Services, does it not?

A Yes, it does.

Q Can you tell me why FPL sold its gas business and the associated contracts to FPL Energy Services?

A Yes. The reason that we sold it was because we believed that there was no longer any use whatsoever of FPL forces in that business, you know, realized that it was not part of the provision of electric service, and we believed there was no infrastructure, you know, at all related to, you know, FPL, that was being used, you know, as part of that. So it really, you know, just didn't make any sense.

And I guess I'd like to clarify, you know, when we were looking at this and making the decision, it's probably good to have a little bit of history, and that history actually was provided by our witness Dennis

Brandt in our 2005 proceedings, and he provided the history about the fact that FPLES in the natural gas business was formed back in the 19 -- late 1990s, and the initial focus of it was, you know, the deregulated markets. FPLES was selling both electricity and gas outside of Florida and in the Northeast. FPLES built and paid for all of the infrastructure, the billing system, the risk management system, all the processes, procedures, policies, you know, all of that to put together that business.

And then in addition to that, we -- FPL, you know, began -- really leveraged that business that FPLES had in selling gas to customers within its territory. And when we went through -- through the years, we realized that it's a very risky business and we felt uncomfortable that the FPL customers were going to be taking on added risks of a commodity business like this and, you know, didn't feel that it was appropriate for it to be part of FPL.

So we decided to transfer the contracts over. We calculated, you know, the amount of gain for those contracts, and we actually presented that in the 2005 case and all the accounting and all of that was done as, you know, we had pretty much laid out in that case, beginning in January of 2006.

Q So your -- the sale was motivated by FPL's desire to protect regulated companies from the riskiness of this business?

A Well, that was one of the items. It was that, and also the items that I mentioned to you that aren't part of providing electric service. One -- FPL's infrastructure that was being used, and that we didn't feel that it was an appropriate business for FPL to be in.

Q Okay. It was a profitable business for FPL, was it not?

A There were -- yes, there were several years where we made profit.

Q Which years were those?

A I don't have all the history on that, Mr. Beck. I can tell you, looking from my experience with it, I can tell you from 2001 forward there was always -- there was an up -- it was a profitable business from 2001 forward. I don't know about the years prior to that, but I can tell you that, you know, that there was -- there was a lot -- you know, there was risk, and so even though we were able to have it be a profitable business, you know, we had -- it was a struggle to make sure that that was happening and that was the case.

Q Okay. Ms. Santos, could you describe for me the functions that were performed by Florida Power & Light in connection with the gas contracts prior to the sale of FPL -- or to FPL Energy Services?

A Yeah. The only thing that FPL was involved in was at one time we had a dedicated sales force. And that was back -- I'm sorry, we had -- I was thinking the wrong way. We had account -- our account managers were selling gas to our customers, and then in 2003 was when we put together a dedicated sales force, and so, you know, really that was all that we were doing was just selling. Because everything else was really done by FPL Energy Services. I mean, the -- as I mentioned earlier, all the infrastructure, the systems, you know, all of that was being abled by FPLES, so it was just purely the selling.

Q So subsequent to the creation of the dedicated sales force in 2003 of FPL Energy Services, are you saying that FPL didn't perform any services in connection with the gas contracts?

A No. We were selling through our account managers.

Q Right. And I understand from what you said, and correct me if I'm wrong, that in 2003 that function was transferred over to a dedicated sales force at FPL

Energy Services; is that right?

A It was -- the function was centralized at FPLES, although we felt we had, you know, an FPL person doing the sales. It was centralized as opposed to having it all throughout. Because we had about -- you know, it was equal to 100 account managers that were, you know, having it as one, you know, little piece of all the work that they did.

Q So for how long did the account managers at Florida Power & Light Company -- for how long were they involved in the sale of the gas contracts?

A From the beginning through the time that the dedicated sales force was established, sometime in 2003.

Q Okay. After 2003, did FPL -- Florida Power & Light Company perform any other services in connection with the gas contracts?

A No. No.

Q Who procured the actual gas contract -- or the gas itself for the contracts?

A Well, you know what? When I answered I was thinking of the -- for the -- my -- my piece of the, you know, of the operation. But FPL's energy management and trading group is the one that procured it. So I apologize. That group also was doing that, and they were budgeting their time, you know, accordingly, to

FPLES.

Q Okay. So they continued to do that after 2003; is that right?

A Yes.

Q Okay. Are there any other functions that were performed prior to the sale to FPL Energy Services, any services that were performed by Florida Power & Light?

A The only -- I mean, there may be small things. I mean, one small item that I know that Florida Power & Light would do is credit checks. As an example, when companies were being evaluated as prospective customers, FPL would provide FPLES credit checks. But all of that would have been, you know, billed to FPLES. So there may be, you know, little things like that.

Q Okay. Now, the sale was effective January 1st, 2006; is that right?

A That's correct.

Q Okay. After the sale, did FPL continue to provide the fuel procurement functions for FPL Energy Services?

A Yes.

Q Okay. And has FPL continued to do credit checks, as you described?

A I believe so.

Q So if I were to compare the services performed by Florida Power & Light Company for the gas contracts, both before and after the sale, would there be any difference between the two?

A Yeah. I mean, the big difference is the sales piece, you know, that we no longer are involved in selling.

Q Right. But that change occurred in 2003; is that right?

A Well, it's a dedicate -- no, you're probably confused and I apologize because I did that. It was really just from centralized versus centralized aspect, and I probably confused you. So --

Q Okay. Let me try asking it this way. What functions changed with respect to the functions performed by Florida Power & Light Company for FPL Energy Services on the date of the sale?

A Well, we no longer had, you know, the -- any type of risk associated with the contracts. I mean, I think that's probably, you know, the most -- the most important one. So, you know, if gas prices changed drastically and there were any type of, you know, negative implications, then, you know, that no longer would be an issue for FPL.

Q Okay. So both risk and reward were transferred as a result of this sale; is that what you're saying?

A Definitely.

Q Okay. Other than that, I mean, the actual job functions performed, were there any changes in job functions that changed as a result of the sale?

A I think that the key item is the sales piece.

Q Okay. Today as we speak, does Florida Power & Light Company still provide the fuel procurement service for the gas contracts?

A Yes, they do, and FPL gets properly compensated for that.

Q And does FPL still do the credit checks that you described?

A I believe so. I probably need to verify, because I haven't been involved in it for a little bit, so I would need to verify on that.

Q Okay. Now, in connection with the sale of -- from Florida Power & Light to FPL Energy Services, did the company have an independent unaffiliated appraisal done to value the contracts that were transferred?

A You said independent, unaffiliated --

Q Appraisal.

A -- appraisal?

Q Yes.

A No. We had -- the risk management department was the one that provided the appraisal and did a full audit of that process.

Q Okay. Is the appraisal reflected in the spreadsheet which was provided in response to our request for production of documents, 231?

A Yes.

Q Okay. Is there anything with respect to an appraisal other than what is shown in the spreadsheet?

A No. I don't -- not that I know of.

Q Okay.

A Other than an audit. I mean, there's an audit of this that was done.

Q Right. But -- but with respect to an actual valuing of the business being sold, this is it? I'm trying to make sure there's nothing else other than this. Am I right in that?

A That is correct.

Q Okay. Could you provide a general explanation of how the value of the gas contracts was determined?

A Essentially what was done was all the contracts that were being transferred were laid out with their contract terms and we made assumptions around the prices of the gas and, you know, knowing all the terms and conditions of every single one. I mean, every single one was modeled separately and so, you know, all of that was added up and the value of the $611,000 of EBIT was derived in that manner.

Q And what is the EBIT that you just described?

A The earnings before interest and taxes.

Q And that turned out to be $611,000?

A 611,295.

Q Uh-huh. And that was the estimate of the value that was used to determine the price paid; is that correct?

A Yes. Well, that amount, that was the estimate of the value and that was -- it had been amortized over five years.

Q And that again is the -- is that the gross margin minus the cost?

A Yes, it is. That's the gross margin minus the cost. That's correct.

Q Okay. Could you turn to the next tab, which is called Assumptions, Open First?

A Yes.

Q Okay. And in there you'll see that there's a heading called General Assumptions?

A Yes.

Q Okay. Could you read the first one?

A "Based upon active accounts within the FPL book effective January 1, '06."

Q And then could you read the next one, No. 2?

A "There was no retention of accounts after contract term (i.e., the contract expires in March '06, assumes no margin thereafter)."

Q So for purposes of valuation, does that assume that none of the contracts would be renewed?

A Yes, that is correct. And the reason why, you know, we did that was because, as I explained earlier, you know, this -- all we were doing was transferring the contracts. So there really wasn't a business per se to transfer. All the infrastructure, I mean, everything really was happening at FPLES. So FPL -- all FPL was doing was transferring contracts, and that was really, you know, the value of those contracts are through their terms.

Q Okay. So, and by doing that, you've assumed that no contract would be renewed; is that right?

A That's correct. I mean, that's all that we had was those contracts through those terms.

Q Could you move two tabs to the right, to the tab called Open Market Basis Index?

A Yes.

Q Okay. This is a list of -- can you say how many contracts are there?

A I'm scrolling down.

Q Okay.

A Hold on, please. 392.

Q I'm sorry. Could you repeat that?

A 392 is the -- you know, the number of account names. That's what I'm --

Q Okay. And could you look at column E on the spreadsheet? Could you tell me what the label for that is?

A It says Evergreen.

Q Yes. And what does that mean?

A That means that they can be renewed.

Q Would it mean that they have provisions that they like renewed?

A I'd have to check that, Mr. Beck. I don't know.

Q Okay.

A It means that it can be -- I'd have to check.

Q Okay. And in that column for each those contracts, there's either a yes or a no; is that correct?

A That's correct.

Q Can you tell me how many have a yes in that column?

A I could count them. Do you want me to do that?

Q Well, you could use --

A I've got to scroll down --

Q Would it -- and, again, I'm trying to avoid anything confidential. Let me ask this. Would it be true that the vast majority are indicated one way or the other? I mean, have a specific answer? I wonder if you could tell me what the vast majority of contracts have for that provision?

A Yes.

Q Okay. Okay. And this tab is for a particular type of contract for index deals; is that correct?

A Yes, that's correct.

Q Okay. If you go to the next tab, there's another type of deal. This is Open Market Associated Basis Index tab?

A Yes, I'm there.

Q And there's fewer contracts here; is that right?

A Yes. There's only 14.

Q And does it have an indication of Evergreen on these, in column E?

A Column E, yes, that's correct.

Q Could you tell me what it says for those contracts, for Evergreen?

A They say yes.

Q Okay. Could you go to the next tab? This is Index Deals, NCTS Assigned Transport. Is there another type of contract that was transferred?

A Yes.

Q Could you tell me about how many contracts are listed in this tab?

A Still scrolling. It shows about 519.

Q Okay. And is there an Evergreen provision listed for these contracts on column E?

A Yes, there is.

Q And would it be true that the vast majority of contracts do have Evergreen provisions?

A Yes, the majority -- this one had, you know, more. I don't know, I counted very quickly maybe close to a dozen or so that had a no.

Q Okay. With the remainder being yes?

A Yes, that's correct.

Q Okay. And if you go to the next tab, there's a -- for Index Deal, NCTS Assigned Transport, is there a number of contracts listed there? Is that right?

A Hold on. The assigned associated basis NCTS index tab?

Q Yes.

A Okay.

Q Okay. And could you tell me how many contracts are listed there?

A (Inaudible.)

Q I'm sorry. Could you say that again?

A Thirty-one.

Q Okay. Is there an Evergreen provision listed for them?

A Yes.

Q And would it be true that the vast majority of them say yes for Evergreen provision?

A Yes, that's true.

Q Okay. And I think just one more tab.

A Okay.

Q Well, no, two more tabs. Let me take that back. Just going down to the next tab, NCTS Assigned Transport.

A Assigned. Okay, yes, I got it.

Q Can I state the number of contracts there, or would you state?

A 111?

Q And would it be true that the vast majority of them have yes listed for Evergreen?

A Yes, the majority do. This one also has several that are not, but the majority do.

Q Okay. And if you go to the next tab for PGS Tariff Discount.

A Yes. Okay. Hold on. I'll tell you the number.
Q You know the question?
A Question. Let me tell you the number.
(Inaudible.)
Q And I'm sorry. The answer was 144?
A Yes.
Q Okay. And there's a -- for the Evergreen provisions, are there any that do not have an Evergreen provision?
A No.
Q Every one of them has Evergreen provisions?
A Yes.
Q Okay.
A Next tab?
Q The next tab, FCG Tariff Discount?
A There's 63.
Q Okay. And do all of them have Evergreen provisions.
A (Inaudible.)
Q I'm guessing our connection isn't working well. Did you say yes to that?
A Oh, I'm sorry. Yes, I did.
Q Okay. Now, let me ask this. Is FP&L in determining the value of the contracts assigned from

Florida Power & Light Company to Florida Power & Light Energy Service, if you had assumed that some of them would have been renewed, would that have increased the margin?

A Yes.

MR. BECK: I think that's all I have. Thank you very much, Ms. Santos.

MS. HARTMAN: Does anyone else have any other questions for Ms. Santos?

Okay. I think that -- that's it then.

MR. BUTLER: Let me -- this is John Butler. I may have a couple of redirect question. Let me just take a moment here and check my notes and see.

MS. HARTMAN: Sure.

MR. BUTLER: This is John Butler. We're back on. I just have a very brief redirect.

FURTHER EXAMINATION

BY MR. BUTLER:

Q Ms. Santos, you were asked by staff counsel about the AMI grants that FPL has applied for. I just want to ask you, to the extent FPL gets those grants and receives compensation from DOE for the projects that you had described, how would FPL account for receipt of that grant money in terms of the rate base inclusion of those projects?

A Any monies that we receive from the Department of Energy for those projects would go to reduced rate base, so -- and eventually reduce customer rates in the future.

Q Excuse me. You were asked about the flyers, the bill stuffers that FPL includes for FPLES. Does FPL include those stuffers for any entities other than FPLES?

A Yes. I had mentioned actually that a couple of companies that I recall, like Home Depot, GEICO, Zephyrhills, Citibank, Maytag, Bose, you know, a few of the companies are examples of others that we do the same type of service for.

Q Okay. FPL -- is FPLES compensated for the bill stuffers that it includes for those companies?

A Yes, definitely. And actually, the revenues and the small expenses associated with that program go to reduce customer rates. And in 2008, as an example, the net of the revenues and the expenses was about $1.2 million, so that's a benefit that FPL customers are receiving.

Q Did FPL project any benefits from those revenues in preparing its 2010, 2011 test years?

A Yes, we did.

Q Okay. Do you have a dollar amount there?

A Yes, I do. In 2010, it's 1.3 million, and in 2011 it's about the same, 1.3 million.

MR. BUTLER: Thank you. That's all the questions that I have.

We do not waive reading and signing. When do we -- when do you think we can get a copy of the transcript for Ms. Santos' deposition?

THE COURT REPORTER: Tomorrow.

MR. BUTLER: Great. And tomorrow is also our target date for the late-filed exhibits that have been requested. And we will -- as usual, we'll provide them to the court reporter and we'll copy -- do it by email, we'll send it to the people that participated in the deposition so you'll have them as soon as they're available.

MS. HARTMAN: Okay.

(Deposition concluded.)

* * *

CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, LORI DEZELL, Registered Professional Reporter, certify that the foregoing proceedings were taken before me at the time and place therein designated; that my shorthand notes were thereafter translated under my supervision; and the foregoing pages numbered 1 through 75 are a true and correct record of the aforesaid proceedings.

I further certify that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 21st day of August, 2009.

____

LORI DEZELL, RPR, CCR
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ERRATA SHEET

I have read the transcript of my deposition, pages 1 through 76, and hereby subscribe to same, including any corrections and/or amendments listed below.

DATE (MARLENE SANTOS)

(DOCKET NO. 080677-EI)

Page/Line	Correction or Amendment	Reason for Change

Reporter: Lori Dezell 8/20/09

In reference to FPL's Late Filed Exhibit request on 8/20/09 for a "Chart showing breakdown of grant application components", please see page 40, Figure 8 of FPL's response to Staff's 4th Set of Request for Production of Documents No. 55A – Supplemental. FPL's total investment in the grant application is $578.3M of which FPL has submitted a request to the Department of Energy (DOE) to reimburse FPL the maximum allowable of $200 million under the Smart Grid Investment Grant criteria.

Regarding the Advance Metering Infrastructure (AMI) costs, note that in the spirit of complying with the intent of DOE's Smart Grid Investment Grant program to stimulate the economy by accelerating future year projects or unplanned programs, all project elements listed in Figure 8 on page 40, are costs not included in MFR's. The referenced incremental cost of $61.4M for element number E3-AMI in Figure 8 on page 40, consists primarily of three items, 1) acceleration of installing an additional 150,000 residential and small business AMI meters in 2010 and 150,000 in 2011 at a cost of $34.2M, 2) the installation of approximately 85,000 commercial business AMI meters in 2010 and 2011 at a cost $24.7M, and 3) $2.5M for a new web portal interface tool for customers to be able to access their hourly energy usage information via FPL.com.

In reference to the question related to the impact of FPL's Smart Grid Investment Grant request on the Base Rate request, see excerpt below from Christopher A. Bennett's Rebuttal Testimony (pages 8-9) dated August 6, 2009.

Q. How are these funds treated in your rate case proposal?

A. The portion of the approximate $580 million ESF proposal reflected in FPL's rate case MFRs is approximately $380 million for residential and small commercial/industrial AMI deployments. These are FPL's required contributed "matching funds". As with the other projects, the DOE will match up to 50% of the project cost under the SGIG program. The DOE's $200 million will cover the cost of the other ESF activities discussed previously in my testimony. These expenditures are over and above those included in the rate case, but the DOE's funding will permit customers to get the benefits of those investments without requiring any payment on their part. If FPL had not proposed a large integrated and crosscutting project (which includes the functionality of more than one Topic Area) the maximum DOE funding available would have only been $20 million, a mere 10% of the maximum amount now eligible. It should also be noted that the DOE also wishes to incentivize investments that are incremental to those which would have been undertaken without the provision of federal funding

Additionally, see below excerpt from page 14 of FPL's response to Staff's 4th Set of Request for Production of Documents No. 55A – Supplemental.

Regulatory Approvals

Timeline of Regulatory Approval of AMI

In Docket No. 080677-EI, currently before the FPSC, FPL is seeking cost recovery for the other AMI costs that FPL is not requesting to be funded by the DOE. An order is expected in this case in late December 2009 with cost recovery beginning the first week of January 2010.

Docket No. 080677-EI
Deposition of
Marlene M. Santos
Late Filed Exhibit 2
Cost Savings Associated with
First Contact Resolution

In reference to Marlene M. Santos' direct testimony, page 18, lines 17 through 23 and page 19, lines 1 through 4 related to savings associated with first contact resolution, there have been no further reductions identified beyond current levels and therefore there are no additional savings to include in the test year.

FPL's Care To Share program provides emergency assistance funds to customers who are in a crisis and unable to pay their electric bill. The program is funded through donations from FPL, customers and employees. Since its inception, 55,000 families have been assisted with nearly $11.5 million.

The administration expenses for the program are approximately $45,000 annually. This includes promotional campaigns and collateral as well as program operations and management, which includes fund reconciliation, agency audits and support, customer support, processing of the agency commitments and handling payment exceptions. All of these activities are spread among various departments and no one department has dedicated resources to the program.

Below is a table that displays the customer inquiries made to FPL about FPL Energy Service's (FPLES) programs for the time periods of 2008 and July 2009 year-to-date.

Product	# of Inquiries 2008	# of Inquiries July YTD 2009	
SurgeShield	745	345	
Miami Herald Billing	625	220	
Power Surge	108	52	
Utility Gard	50	26	
Appliance Protection Plus	94	45	
Payment Power	11	5	
ApplianceGard	175	120	
Connect Services	84	8	{a}
Other	18	6	{a}
Total	**1,910**	**827**	

{a} Note: Product not billed thru FPL.

Below is a table that displays the customer courtesy calls and logged complaints made to the Florida Public Service Commission (PSC) about FPLES' programs for the time periods of 2008 and July 2009 year-to-date.

Product	# of PSC Courtesy Calls 2008	# of PSC Logged Complaints 2008	# of PSC Courtesy Calls July YTD 2009	# of PSC Logged Complaints July 2009
SurgeShield	3	0	0	0
Miami Herald Billing	0	0	0	0
Power Surge	4	3	0	1
Utility Gard	2	0	0	0
Appliance Protection Plus	1	1	1	0
Payment Power	0	0	0	0
ApplianceGard	2	0	1	0
Connect Services	1	1	0	0
Other	0	0	0	0
Total	13	5	2	1

In addition, below is provided the customer inquiries shown as a percent of the number of customers billed by FPL related to these specific FPLES programs. Refer to the Late Filed Exhibit MMS-7 that also displays the number of customers billed by FPL for FPLES programs for December 2008 and for July 2009 for this source data.

Product	# of FPLES Customers Billed thru FPL (2008)	# of Inquiries 2008	% of Inquiries 2008 to the Customers Billed by FPL for FPLES	# of FPLES Customers Billed thru FPL (July 2009)	# of Inquiries July YTD 2009	% of Inquiries July YTD 2009 to the Customers Billed by FPL for FPLES
SurgeShield	88,538	745	0.84%	92,402	345	0.37%
Miami Herald Billing	17,894	625	3.49%	1,022	220	21.53% {b}
Power Surge	85,025	108	0.13%	83,611	52	0.06%
Utility Gard	15,197	50	0.33%	14,362	26	0.18%
Appliance Protection Plus	5,309	94	1.77%	4,761	45	0.95%
Payment Power	2,746	11	0.40%	2,558	5	0.20%
ApplianceGard	2,809	175	6.23%	2,763	120	4.34%
Total	**217,518**	**1,808**	**0.83%**	**201,479**	**813**	**0.40%**

{b} Note: This FPLES arrangement with Miami Herald was terminated in Dec 2008 and the service is being phased out in 2009.

Finally, FPL has provided, with permission from United Service Protection Inc., an affiliate of Assurant Inc. (hereinafter referred to as "United Service Protection Inc."), and FPL Energy Services, Inc., customer satisfaction statistics related to the ApplianceGard program. United Service Protection Inc. working with FPLES, seeks to achieve high customer satisfaction with the ApplianceGard program. In fact, the overall satisfaction with United Service Protection Inc.'s customer service representatives is 86%, and the overall satisfaction with the service repair technician is 86%.

United Service Protection Inc. uses a four level Likert scale (1 to 4) across multiple aspects of the program. Some of the other key performance indicators they look at to gage the satisfaction with the program include:

- Promptly answering the call - 90% satisfaction scoring a 3.60. This is important because no one likes to wait a long time on the phone. The United Service Protection Inc. customer service representatives are available 24x7.
- First call resolution - 81% satisfaction scoring a 3.24. This is important because no one wants to make multiple phone calls on the same issue.
- Tech arrival - 87% satisfaction scoring a 3.47. This is important because many times our customers take time off from work to meet the repair technician.
- One visit fix - 82% satisfaction scoring a 3.26. This is important because it's inconvenient to be without a functioning appliance.

Docket No. 080677-EI
Deposition of
Marlene M. Santos
Late Filed Exhibit 5
Bill Inserts for the
Surgeshield Program
Page 1 of 1

Attached are the FPL Energy Services Surgeshield and ApplianceGard program bill inserts sent to customers via the FPL electric bill for the time periods of 2008 and July 2009 year-to-date. Note that these inserts represent the full range of bill-insert versions mailed during this time period. Each version was mailed to a different subset of FPL's customers.

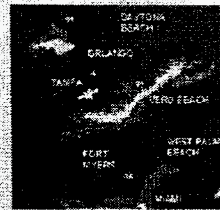
This service is provided for a fee to companies such as Geico, Home Depot, Zephryhills, FPLES, etc by FPL as part of its Bill Statement Advertising program. The Bill Statement Advertising program is a business to business service that provides an advertising vehicle designed to reach residential customers through the FPL electric bill.

Revenues and expenses are provided in the table below. The revenues generated by the Program significantly exceed the expenses, reducing the revenues required from other sources and thereby benefiting FPL's customers.

Bill Statement Advertising	2006	2007	2008	2009 (a)	2010 (a)	2011 (a)
Revenues	1,021,444	954,913	1,235,011	1,346,633	1,360,099	1,373,700
Expenses	26,437	19,380	56,487	36,541	37,273	38,093
EBIT	995,007	935,533	1,178,524	1,310,092	1,322,826	1,335,607

(a) Projected

Did You Know...



Florida is the lightning capital of the U.S.

The electricity flowing within a lightning bolt can reach 2 million volts.

Electrical storms cause approximately $100 million in property damage each year.

Power surges are one of the main causes of damage to A/C systems.

Enroll today before you get Zapped!

Receive your first month
FREE
by signing up online!*
Visit: www.FPL.com/SurgeShield

*Only valid with online sign up
Promotional Code: SSW17

FPL.
Energy Services

1-888-NO-SURGE
1-888-667-8743

FPL Energy Services is a subsidiary of FPL Group, Inc., and an affiliate of Florida Power & Light Company.

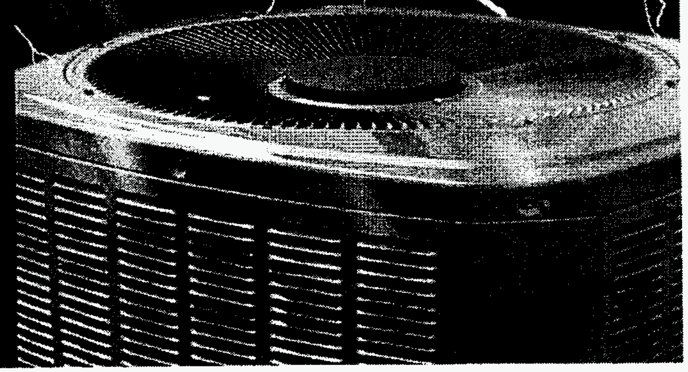
6001 Village Blvd., West Palm Beach, FL 33407, Telemarketing License #TC2270

FREE INSTALLATION
(up to a $75.00 value)

Save Your Stuff Before It Gets Zapped

With SurgeShield

FPL.
Energy Services



080677 Hearing Exhibit - 00001956

Protect Your Investment Before Damage Happens

SurgeShield offers two types of protection from surges entering through your home's electric lines or other vulnerable points of entry. Sign up today for the peace of mind that the things you and your family depend on every day are protected.

Electric Meter Protection

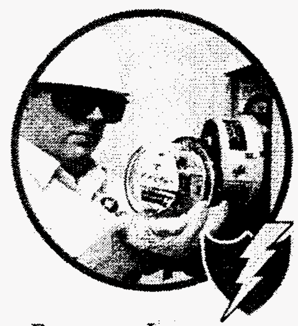
(Must be a single family home, duplex or townhouse)

- Heavy-duty surge protector is installed at your meter
- Protects A/C, refrigerators and other large household appliances
- Maintained and monitored by FPL
- $8.95 plus tax per month on your FPL bill
- Free installation for new/first time customers

Plug-in Protection

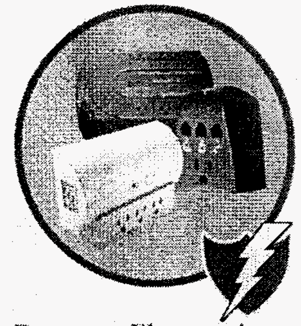
(Available to all customers)

- Protects sensitive electronic equipment and smaller appliances
- Includes special connectors to protect from surges entering through phone, cable and data lines
- Choose from pre-selected packages or customize your solution (customer installation required)
- Prices will vary based on selection



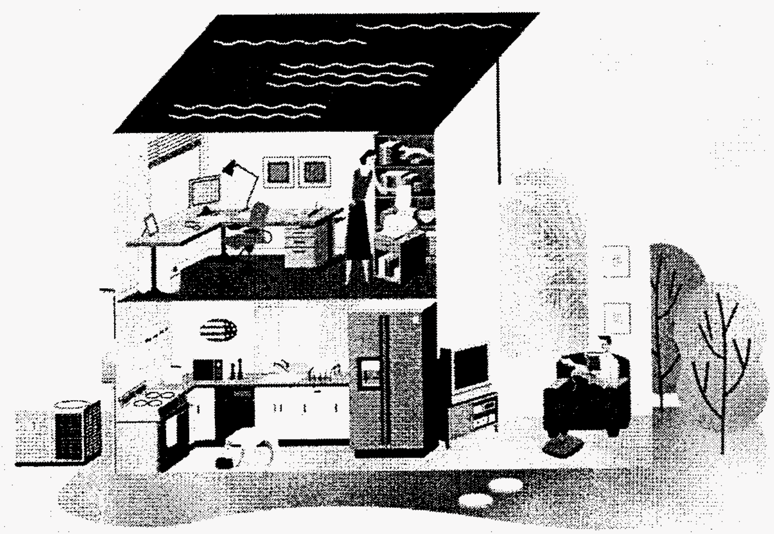
Protects Large Appliances

A/C systems, washers, dryers, dishwashers, ovens/ranges, ceiling fans, garage door openers and more



Protects Electronics & Small Appliances

TVs, VCRs, DVDs, stereos, computers, printers, fax machines, cordless phones and more



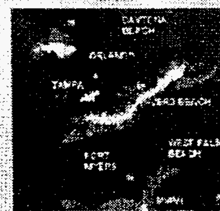
Receive your first month ***FREE*** by signing up for meter protection online at **www.FPL.com/SurgeShield** Promotional Code: SSW17

080677 Hearing Exhibit - 00001957

Did You Know...

Florida is the lightning capital of the U.S.

The electricity flowing within a lightning bolt can reach 2 million volts.



Electrical storms cause approximately $100 million in property damage each year.

Power surges are one of the main causes of damage to A/C systems.

Enroll today before you get Zapped!

Receive your first month
FREE
by signing up online!*
Visit: www.FPL.com/SurgeShield

*Only valid with online sign up
Promotional Code: SSW18

FPL.
Energy Services

1-888-NO-SURGE
1-888-667-8743

FPL Energy Services is a subsidiary of FPL Group, Inc., and an affiliate of Florida Power & Light Company.

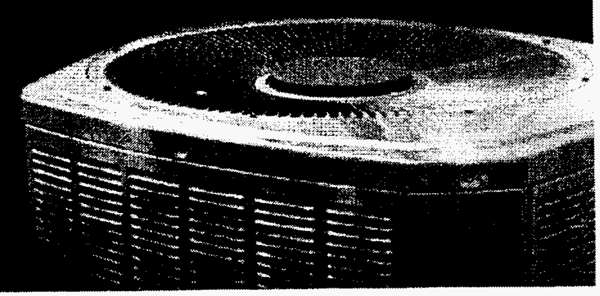
6001 Village Blvd., West Palm Beach FL 33407, Telemarketing License #TC2270

FREE INSTALLATION
(up to a $75.00 value)

Save Your Stuff Before It Gets Zapped

With SurgeShield

FPL.
Energy Services



Protect Your Investment Before Damage Happens

SurgeShield offers two types of protection from surges entering through your home's electric lines or other vulnerable points of entry. Sign up today for the peace of mind that the things you and your family depend on every day are protected.

Electric Meter Protection

(Must be a single family home, duplex or townhouse)

- Heavy-duty surge protector is installed at your meter
- Protects A/C, refrigerators and other large household appliances
- Maintained and monitored by FPL
- $8.95 plus tax per month on your FPL bill
- Free installation for new/first time customers

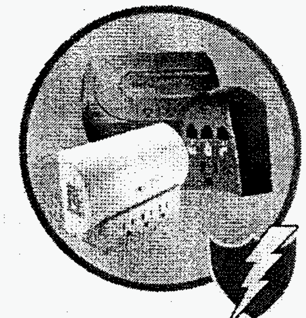
Plug-in Protection

(Available to all customers)

- Protects sensitive electronic equipment and smaller appliances
- Includes special connectors to protect from surges entering through phone, cable and data lines
- Choose from pre-selected packages or customize your solution (customer installation required)
- Prices will vary based on selection

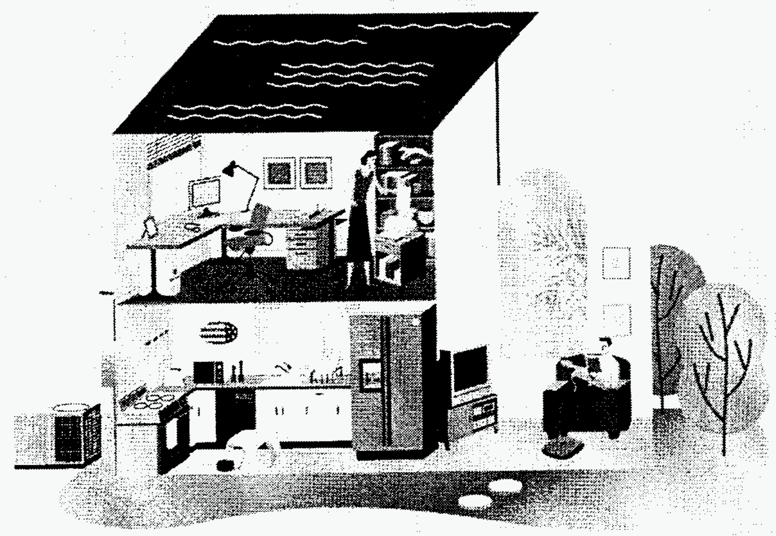
Protects Large Appliances

A/C systems, washers, dryers, dishwashers, ovens/ranges, ceiling fans, garage door openers and more



Protects Electronics & Small Appliances

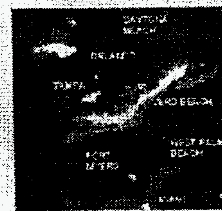
TVs, VCRs, DVDs, stereos, computers, printers, fax machines, cordless phones and more



Receive your first month *FREE* by signing up for meter protection online at www.FPL.com/SurgeShield Promotional Code: SSW18

Did You Know...

Florida is the lightning capital of the U.S.



The electricity flowing within a lightning bolt can reach 2 million volts.

Electrical storms cause approximately $100 million in property damage each year.

Power surges are one of the main causes of damage to A/C systems.

Enroll today before you get Zapped!

Receive your first month
FREE
by signing up online!*
Visit: www.FPL.com/SurgeShield

*Only valid with online sign up
Promotional Code: SSW19

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Energy Services

1-888-NO-SURGE
1-888-667-8743

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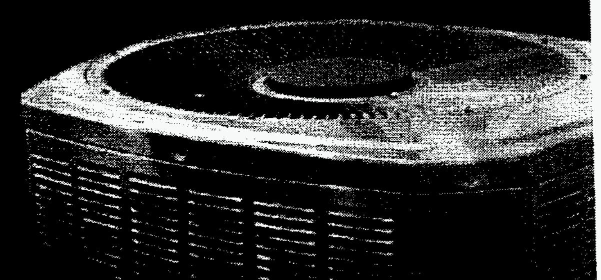
FREE INSTALLATION
(up to a $75.00 value)

Save Your Stuff Before It Gets Zapped

With SurgeShield

FPL.
Energy Services



Protect Your Investment Before Damage Happens

SurgeShield offers two types of protection from surges entering through your home's electric lines or other vulnerable points of entry. Sign up today for the peace of mind that the things you and your family depend on every day are protected.

Electric Meter Protection

(Must be a single family home, duplex or townhouse)

- Heavy-duty surge protector is installed at your meter
- Protects A/C, refrigerators and other large household appliances
- Maintained and monitored by FPL
- $8.95 plus tax per month on your FPL bill
- Free installation for new/first time customers

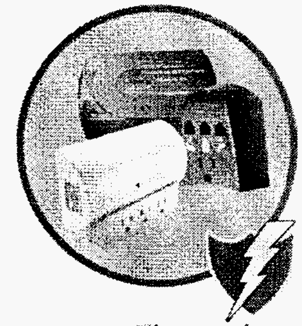
Plug-in Protection

(Available to all customers)

- Protects sensitive electronic equipment and smaller appliances
- Includes special connectors to protect from surges entering through phone, cable and data lines
- Choose from pre-selected packages or customize your solution (customer installation required)
- Prices will vary based on selection

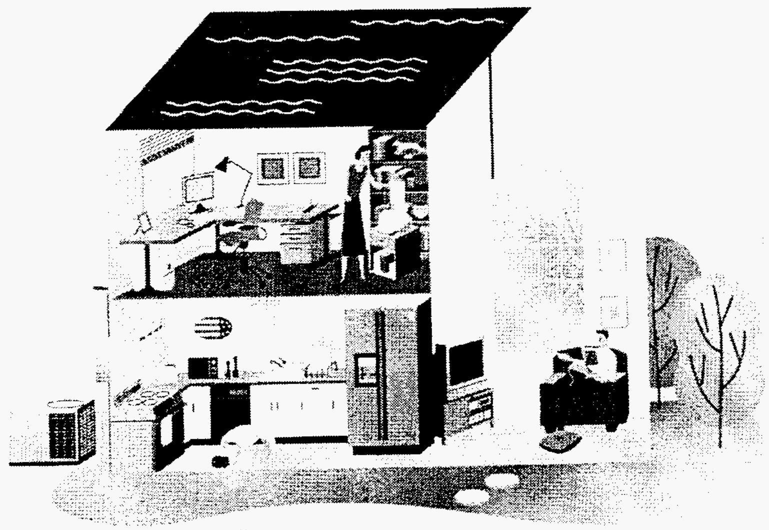
Protects Large Appliances

A/C systems, washers, dryers, dishwashers, ovens/ranges, ceiling fans, garage door openers and more



Protects Electronics & Small Appliances

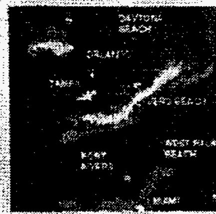
TVs, VCRs, DVDs, stereos, computers, printers, fax machines, cordless phones and more



Receive your first month *FREE* by signing up for meter protection online at www.FPL.com/SurgeShield Promotional Code: SSW19

Did You Know...

Florida is the lightning capital of the U.S.



The electricity flowing within a lightning bolt can reach 2 million volts.

Electrical storms cause approximately $100 million in property damage each year.

Power surges are one of the main causes of damage to A/C systems.

Enroll before you get Zapped!

Call us today at

1-800-811-9410

Specialists available Monday – Friday
7:30am to 8:00pm (EST)

Or visit us online at
www.FPLES.com/SurgeShield

Promotional Code: SSW20

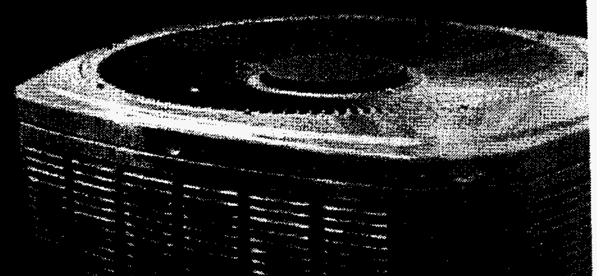
FPL. Energy Services

FREE INSTALLATION
(up to a $75.00 value)

Save Your Stuff Before It Gets Zapped

With SurgeShield

FPL. Energy Services



Protect Your Investment Before Damage Happens

SurgeShield offers two types of protection from surges entering through your home's electric lines or other vulnerable points of entry. Sign up today for the peace of mind that the things you and your family depend on every day are protected.

Electric Meter Protection

(Must be a single family home, duplex, condo or townhouse)

- Heavy-duty surge protector is installed at your meter
- Protects A/C, refrigerators and other large household appliances
- Maintained and monitored by FPL
- $9.95 plus tax per month on your FPL bill
- Free installation for new/first time customers

Plug-in Protection

(Available to all customers)

- Protects sensitive electronic equipment and smaller appliances
- Includes special connectors to protect from surges entering through phone, cable and data lines
- Choose from pre-selected packages or customize your solution (customer installation required)
- Prices will vary based on selection

Protects Large Appliances

A/C systems, washers, dryers, dishwashers, ovens/ranges, ceiling fans, garage door openers and more

Protects Electronics & Small Appliances

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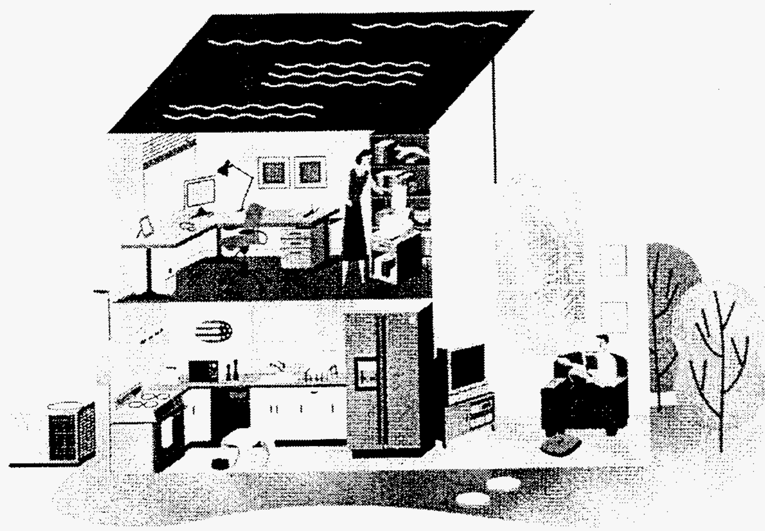
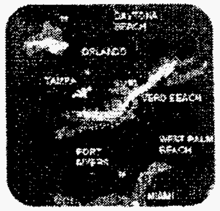


Sign up now to receive FREE INSTALLATION (up to $75 value) Promo Code: SSW20
Sign up online at www.FPLES.com/SurgeShield or call 1-800-811-9410

Did You Know...



Florida is the lightning capital of the U.S.

The electricity flowing within a lightning bolt can reach 2 million volts.

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Power surges are one of the main causes of damage to A/C systems.

For Your Home

Receive your first month **FREE** by signing up on-line* at www.FPL.com/SurgeShield

Promo Code: SSW16

For Your Business

Receive your first month **FREE** by signing up on-line** at www.FPL.com/Surges02

Promo Code: COMB3

FPL. Energy Services

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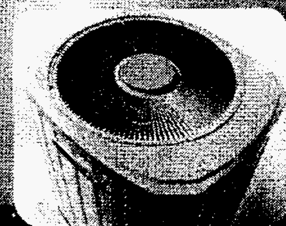
Protect Your Investment With SurgeShield



The Reliable Solution For Your Home Or Your Business

FPL. Energy Services

The Risk Is Real

SurgeShield offers protection from power surges entering through your electric lines at your home or business providing a vital level of defense against the damage and inconvenience caused by unexpected and costly power surges.

For Your Home

FREE INSTALLATION (up to a $75.00 value)

(Must be a single family home, duplex or townhouse)

Protects Large Appliances

A/C systems, washers, dryers, dishwashers, ovens/ranges, ceiling fans, garage door openers and more

- Heavy-duty surge protector is installed at your meter
- Protects A/C, refrigerators and other large household appliances
- Maintained and monitored by FPL
- $8.95 plus tax per month on your FPL bill
- First month free via on-line* enrollment
- Free installation for new/first time customers

Receive your first month FREE by signing up on-line* at www.FPL.com/SurgeShield or call 1-888-NOSURGE (1-888-667-8743)

*FREE month only valid with on-line sign up
Promo Code: **SSW16**

For Your Business

(Available whether you lease or own)

Protects Large Equipment

A/C systems, electric cooking and refrigeration equipment, motors, pumps, hard-wired equipment and more

- Heavy-duty surge protector is installed at your meter
- Technology with a 40-year track record of proven surge protection
- Monthly charge on your FPL bill
  - $29.95 plus tax for single-phase service
  - $49.95 plus tax for three-phase service

  (a representative will confirm the level of service you need)
- Installation is scheduled at your convenience for a special, one-time fee of $50.

Receive your first month FREE by signing up on-line** at www.FPL.com/SurgeShield2 or call 1-888-NOSURGE (1-888-667-8743)

**FREE month only valid with on-line sign up
Promo Code: **COMB3**

Sign Up Now And Get Reliable Meter Based Protection Before Damage Happens

080677 Hearing Exhibit - 00001965

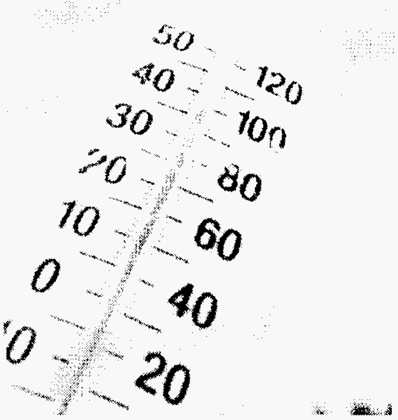
Temperatures are rising.
But staying cool is easy with ApplianceGard.

Now's the time of year when your central air conditioner is working its hardest to keep your home cool and comfortable. But even the best can break down at any time.

When an air conditioner breaks down, the cost to repair or replace it can be a major expense. Unless you have **ApplianceGard**. It covers the cost to repair or replace your air conditioner – and other essential major systems and appliances such as your:

- Refrigerator
- Dishwasher
- Washer/Dryer
- And much more*

Enroll today and start saving money, time and trouble. Call us at 1-800-554-5836 and mention offer #135.



FPL Energy Services

* Depending on the plan selected

ApplianceGard is offered on behalf of FPL Energy Services, an affiliate of Florida Power & Light Company.

Rising home repair costs got you stressed out?

ApplianceGard protects your budget and saves you hundreds of dollars on air conditioning repairs or replacement as shown on the chart below. Comparable savings can be realized, too, on your other appliances or systems with **ApplianceGard**. So enroll today and get protection for the appliances and systems you depend on.

For immediate enrollment, or to learn about additional savings, call 1-800-554-5836 and mention offer #135.

[illegible]	[illegible]	[illegible]	[illegible]
Central A/C	Repair Replacement	\$75 to \$1,250 \$1,500 to \$5,000	**\$50** **\$50**

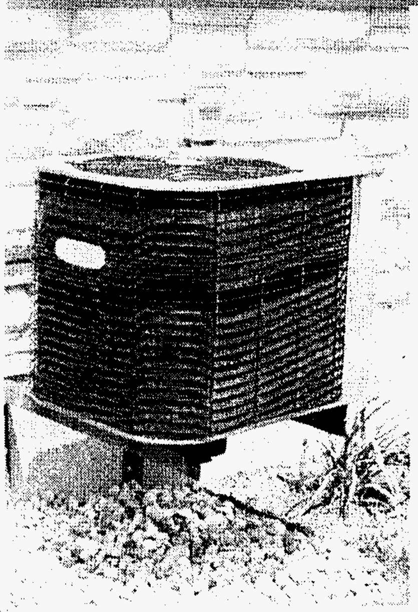
*Based upon national averages of industry service technicians

This is a brief description of ApplianceGard. Certain conditions apply pertaining to rust and corrosion. Please refer to the service agreement, which you will receive once you enroll, for complete details of items covered and exclusions that apply.

In FL, ApplianceGard is provided and administered by United Service Protection, Inc.
FPL Energy Services, 6001 Village Blvd., West Palm Beach, FL 33407, Telemarketing License #TC2270

280919_135

Peace-of-mind protection for appliances or systems any brand – any age



ApplianceGard puts you in control.

You can choose the plan with the appliances and systems you want covered – regardless of brand or age, provided they are in good working condition to the best of your knowledge. No home inspection required!

You can call ApplianceGard Customer Service, available 24 hours a day, 365 days a year. They'll find a reputable, screened technician from our large service network who'll contact you and get the job done right. With **ApplianceGard**, you can let others do the searching for you.

You can enjoy the convenience of hassle-free payments. The monthly service fee will be conveniently added to your FPL bill – no additional payments or bills to mail.

You can enroll with just one call. Simply call our toll-free number to process your enrollment.

Protect your budget from unexpected and costly repair bills. Call 1-800-554-5836 and mention offer #135.

Choose The Plan** That Works Best For You.

Central A/C, Heating & Water Heater Plan — $17.99 per month††

Plan provides coverage for your:
• central A/C • heat pump • heating • water heater

Comprehensive Plan — $33.99 per month††

Plan provides coverage for your:
• central A/C • heat pump • heating • water heater • washer
• dryer • refrigerator • dishwasher • range/cooktop • oven

BEST VALUE **Comprehensive Plan Plus** — $35.99 per month††

Plan provides coverage for your:
• central A/C • heat pump • heating • water heater • washer • dryer • refrigerator
• dishwasher • range/cooktop • oven • built-in microwave • garbage disposal

PLUS! Add on a second Central A/C & Heating Plan for an additional $10.99 per month.

** Coverage begins 30 days after enrollment in the program and applies to non-commercial owned residential properties only

†† Plus sales tax. A $50 service call fee also applies

Home repair bills leaving you with the feeling of empty pockets?

ApplianceGard can save you hundreds of dollars. The chart below lists one example of the amount you can save by participating in ApplianceGard.

For immediate enrollment, or to learn about additional savings, call 1-800-554-5836 and mention offer #333.

Failed Item	Remedy	Average Cost Without ApplianceGard Coverage*	Service Call Fee Cost With ApplianceGard Coverage
Central A/C	Repair	$75 to $1,250	$50
	Replacement	$1,500 to $5,000	$50

*Based upon national averages of industry service technicians.

This is a brief description of ApplianceGard. Certain conditions apply pertaining to rust and corrosion. Please refer to the service agreement, which you will receive once you enroll, for complete details of items covered and exclusions that apply.

In FL, ApplianceGard is provided and administered by United Service Protection, Inc.

FPL Energy Services, 6001 Village Blvd., West Palm Beach, FL 33407, Telemarketing License #TC2270

Home repair bills can be costly, especially for your air conditioner. Are you prepared?

Major appliances can break down when you least expect it. With ApplianceGard,* you'll never again have to worry about the cost of the repair or how to find a qualified service professional.

ApplianceGard covers the cost to repair or replace your home's major appliances and major systems including:

- Central Air Conditioner
- Washer/Dryer
- Refrigerator
- And more

Enroll today and start saving money, time and trouble. Call us at 1-800-554-5836 and mention offer #333.

FPL Energy Services

*ApplianceGard is offered on behalf of FPL Energy Services, an affiliate of Florida Power & Light Company.

Protection and peace of mind starts at 60¢ a day!

All of the ApplianceGard plans provide protection for expensive household appliances and systems in an easy and cost-effective way, starting with our Central A/C & Water Heater Plan.

Flexible Plans and Pricing - no matter your budget, we have plans designed to meet your needs.

Hassle-Free Payments - the monthly service fee will be conveniently added to your FPL bill – no additional payments to make or bills to mail.

Personal and Round-the-Clock Support - our customer representatives are available 24 hours a day, 365 days a year.

Convenient Service - we'll find a reputable contractor in your area, so you don't have to spend time searching.

Easy Enrollment. No home inspection is required. Simply call our toll-free number to process your enrollment.

Protect your budget from unexpected and costly repair bills. Call 1-800-554-5836 and mention offer #333.

Choose The Plan** That Works For You.

Plan provides coverage for your:

- central A/C • heat pump • heating
- water heater • washer • dryer
- refrigerator • dishwasher
- range/cooktop • oven
- built-in microwave • garbage disposal

$35.99 per month††

Comprehensive Plan†

Plan provides coverage for your:

- central A/C • heat pump • heating
- water heater • washer • dryer
- refrigerator • dishwasher
- range/cooktop • oven

$33.99 per month††

Central A/C, Heating & Water Heater Plan†

Plan provides coverage for your:

- central A/C • heat pump
- heating • water heater

$17.99 per month††

†PLUS! Add on a second Central A/C & Heating Plan for an additional $10.99 per month.

** Coverage begins 30 days after enrollment in the program and applies to non-commercial owned residential properties only

†† Plus sales tax. A $50 service call fee also applies

Save hundreds of dollars with ApplianceGard.

Check out the chart below to see the amount of savings you'll take advantage of with ApplianceGard.

For immediate enrollment, call 1-800-554-5836 and mention offer #257.

Failed Item	Remedy	Average Cost Without ApplianceGard Coverage†	Service Call Fee Cost With ApplianceGard Coverage
Central A/C	Repair Replacement	$75 to $1,250 $1,500 to $5,000	$50 $50
Water Heater	Repair Replacement	$100 to $750 $350 to $700	$50 $50
Kitchen Refrigerator	Repair Replacement	$75 to $450 $400 to $1,200	$50 $50
Kitchen Range/Oven	Repair Replacement	$75 to $300 $400 to $1,500	$50 $50
Garbage Disposal	Replacement	$125 to $250	$50

†Based upon national averages of industry service technicians.

This is a brief description of ApplianceGard. Certain conditions apply pertaining to rust and corrosion. Please refer to the service agreement, which you will receive once you enroll, for complete details of items covered and exclusions that apply.

In FL, ApplianceGard is provided and administered by United Service Protection, Inc.
FPL Energy Services, 6001 Village Blvd., West Palm Beach, FL 33407, Telemarketing License #TC2270

Are you prepared for expensive air conditioning repair costs this summer?

You will be with ApplianceGard.*

This home service plan covers the costs to repair or replace your home's major appliances and major systems including your washer/dryer, refrigerator and, most importantly, your central air conditioner.

Protect your budget today from expensive air conditioner breakdowns and repairs, and get valuable protection for your other major systems and appliances, too.

Don't delay. Enroll today.
Call 1-800-554-5836 and mention offer #257.

280918_257

FPL Energy Services

*ApplianceGard is offered on behalf of FPL Energy Services, an affiliate of Florida Power & Light Company

Buying protection and peace of mind starts at 60¢ a day.

ApplianceGard offers:

Sensible Protection – Starting at 60¢ a day – Protect your Central A/C, Heating & Water Heater without the big ticket price tag!

Hassle-Free Payments – Monthly service fee is conveniently added to your FPL bill.

Convenient Round-the-Clock Service – Avoid the hassle of finding a reputable service person. ApplianceGard does it for you! Just call the customer service line, which is available 24 hours a day, 365 days a year.

Peace of Mind – Rest assured, you won't have to do without your systems and appliances.

Easy Enrollment – No home inspection is required.

Activate ApplianceGard today.
Call 1-800-554-5836 and mention offer #257.

Choose The Plan** That Works For You.

	BEST VALUE! Comprehensive Plan Plus††	Comprehensive Plan††	Central A/C & Heating & Water Heater Plan††
Central A/C	✓	✓	✓
Heat Pump	✓	✓	✓
Heating	✓	✓	✓
Water Heater	✓	✓	✓
Washer	✓	✓	
Dryer	✓	✓	
Refrigerator	✓	✓	
Dishwasher	✓	✓	
Range/Cooktop	✓	✓	
Oven	✓	✓	
Built-in Microwave	✓		
Garbage Disposal	✓		
Monthly Cost†	$35.99	$33.99	$17.99

** Coverage begins 30 days after enrollment in the program and applies to non-commercial owned residential properties only.

† Plus sales tax. A $50 service call fee also applies.

†† PLUS! Add on a second Central A/C & Heating Plan for an additional $10.99 per month.

Docket No. 080677-EI
Deposition of
Marlene M. Santos
Late Filed Exhibit 6
Bill Inserts for the Power
Surge Program
Page 1 of 1

Attached are the FPL Energy Services Power Surge program bill inserts sent to customers via the FPL electric bill for the time periods of 2008 and July 2009 year-to-date. Note that these inserts represent the full range of bill-insert versions mailed during this time period. Each version was mailed to a different subset of FPL's customers.

This service is provided for a fee to companies such as Geico, Home Depot, Zephryhills, FPLES, etc by FPL as part of its Bill Statement Advertising program. The Bill Statement Advertising program is a business to business service that provides an advertising vehicle designed to reach residential customers through the FPL electric bill.

Revenues and expenses are provided in the table below. The revenues generated by the Program significantly exceed the expenses, reducing the revenues required from other sources and thereby benefiting FPL's customers.

Bill Statement Advertising	2006	2007	2008	2009 (a)	2010 (a)	2011 (a)
Revenues	1,021,444	954,913	1,235,011	1,346,633	1,360,099	1,373,700
Expenses	26,437	19,380	56,487	36,541	37,273	38,093
EBIT	995,007	935,533	1,178,524	1,310,092	1,322,826	1,335,607

(a) Projected

TO OPEN, REMOVE THIS STUB

Attention FPL Energy Services
Residential Customers:

PLEASE OPEN IMMEDIATELY:

Important Information Enclosed

Your friends and neighbors enjoy the benefits of **Power Surge Protection.**

Here's what some have said:

"Service was excellent. I am so grateful for this product."

– Karen F., Holmes Beach

"Excellent with capital letters! Your service was fast, accurate; excellent customer service. Thumbs up!!!"

– Angela G., Hallandale Beach

"I was guided through the process very efficiently ... we were very satisfied with the program, and we feel safe and secure.

– MaryAnn K., Green Acres

"The service was excellent. I would recommend it to everyone I know."

– George B., Port St. Lucie

[Stub]

Damage from power surges and lightning –

it happens ... probably more often than you think*.

Did you know?

Power surges can cause:

- Your computer to lose data
- Electronics to overheat
- Household appliances to malfunction

The cost for repair or replacement is expensive and usually NOT covered by homeowners insurance. So what can you do to prepare for the unexpected?

Enroll in Power Surge protection.

With Power Surge Protection, you will:

- Be reimbursed for the cost to repair or replace your covered appliances and electronic equipment due to damage from power surges and lightning strikes
- Be covered for losses up to the policy maximum
- Not have to pay a deductible!

Safeguard your budget and be prepared for the lightning season with Power Surge Protection

Offered on behalf of FPL Energy Services

* Florida is the lightning capital of the world. Florida experiences lightning strikes at least 100 days per year. Source: *www.aroundcentralflorida.com*

The one who benefits in so many ways from Power Surge Protection is You.

- **You decide.** You can protect your appliances and electronics up to a value of $10,000. Premiums start at $6 per month for $3,000 of coverage.
- **You can join the more than 86,000 FPL customers enrolled in Power Surge Protection*.** And enjoy protection when needed (over $5,000,000 in claims has been paid to customers with Power Surge Protection).**
- **You can enjoy coverage for repair or replacement.** Can't be repaired? You will be reimbursed for a replacement up to the policy limit.
- **You don't have to write any extra checks.** Monthly premiums will be conveniently added to your FPL bill.
- **You have nothing to lose.** Review your coverage for 30 days. If you're not satisfied, simply return the policy within the first 30 days for a full credit of any premiums you have paid (minus any claims).

* FPL Energy Services statistics

** Assurant Solutions statistics, 2008

GLUE AREA

GLUE AREA

55% of Americans mistakenly believe that their homeowners policy covers power surges*.

	Your Homeowners Policy	[illegible]
Coverage for damages from power surges	usually no*	yes
Deductible	?	no
Increased premium rate after claim	?	no
Cancellation after claim	?	no

** The vast majority of renters and homeowners policies exclude sudden loss or damage to electronics from changes in an artificially generated electrical current.*
(Survey conducted by Trusted Choice Agencies, 2007).

Enroll immediately by phone. Call toll-free 1-877-459-5590 and mention offer #PWR14.
Or complete the enclosed enrollment form and mail it along with your FPL payment

Power Surge Summary of Exclusions provided by American Bankers Insurance Company of Florida

- Electric appliances and electronic equipment not operational just prior to the peril causing the loss or not owned by the policy owner.
- Electric appliances and electronic equipment that cannot be replaced with other of like kind and quality.
- Additional costs of on-site service, such as travel charges.
- Loss resulting directly or indirectly from enforcement of any ordinance or law regulating the construction, repair or demolition of a building or other structure.
- Loss caused by, or resulting from, depreciation; insects, vermin, corrosion or rust; physical environment such as dust, dampness, dryness, cold and heat; mysterious disappearance; error or omission in design or system configuration; faulty construction or any original defect in the covered property; war including undeclared or civil war; repair or service including installment of covered property.
- Additional costs incurred as a result of a loss, such as extra expenses, programming, data reconstruction, data recovery or program installation or reconfiguration.
- Costs recoverable under the product warranty or extended warranty.

This is a brief description of Power Surge Protection. Please refer to your policy, which you will receive once you enroll, for complete details of coverage and exclusions that apply.

Power Surge protection is underwritten by American Bankers Insurance Company of Florida, an Assurant Solutions company, 11222 Quail Roost Drive, Miami, Florida 33157-6596.

PP22985-0609 ahld

Protect Your Budget from Unexpected
Repair Bills.

Choose Your Coverage and Enroll Immediately.

Call toll-free 1-877-459-5590 and mention offer #PWR14.

Please have your FPL account number available when you call. *Se habla español.*

A customer service representative will be happy to assist you in choosing the coverage that fits your needs best.

- **$ 5,000 / $10.00 per month**
- **$ 4,000 / $ 8.00 per month**
- **$ 3,000 / $ 6.00 per month**

Note: additional coverages, up to $10,000, are available. Consult your customer service representative for details at 1-877-459-5590.
If preferred, you may complete the Enrollment Form on the reverse side and return it with your FPL payment.

If not enrolling by phone, complete this form and return it with your FPL payment.

☑ **YES!** Please enroll me in the Power Surge protection program. I understand that the purchase of this insurance is voluntary, and I'm free to cancel at any time. I hereby give permission to charge my FPL account monthly for the coverage I am purchasing.

ACCOUNTHOLDER'S SIGNATURE	TODAY'S DATE
X	/ /

Please Print

FPL BILL ACCOUNT NUMBER (REQUIRED)	DAYTIME PHONE #
	( )

PRINT ACCOUNTHOLDER'S NAME (REQUIRED)

ACCOUNTHOLDER'S ADDRESS	CITY	STATE	ZIP
		FL	

Please choose one of the following plans:
(check one)

- ☐ **$ 5,000 / $ 10.00 per month**
- ☐ **$ 4,000 / $ 8.00 per month**
- ☐ **$ 3,000 / $ 6.00 per month**

Or other coverages, up to $10,000.
Call 1-877-459-5590 for additional choices.

FPL Energy Services, Telemarketing License #TC2278, 8001 Village Blvd., West Palm Beach, FL 33407
Power Surge is available to residential customers only.

3757-0006-285-1-0-M-FL 283337A5

PWR14

PP22985-0609 ahld
Power Surge Protection

FPL Energy Services

Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information, is guilty of a felony of the third degree. (Applicable in Florida.)
A8062APC

LICENSED RESIDENT AGENT NAME	LICENSE NUMBER

080677 Hearing Exhibit - 00001980

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[Stub]

Important Reminder
for Residential Customers:

Call toll-free to enroll in optional Power Surge Protection.

1-877-459-5590
Mention offer #PWR14 to process your enrollment immediately.

Or if preferred, complete the enclosed enrollment form and mail it along with your FPL payment.

PP22985-0609 ahld