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Public Service Commission

January 20, 2010

John T. Butler, Esquire
Senior Attorney
Law Dept. - FPL
700 Universe Boulevard
Juno Beach, FL 33408-0420

Re: DOCKET NO. 080677-EI - Petition for increase in rates by Florida Power & Light Company;
DOCKET NO. 090130-EI - 2009 depreciation and dismantlement study by Florida Power & Light Company.

Dear Mr. Butler:

At the January 13, 2010, Special Agenda Conference, the Commission approved the recovery of net costs associated with the Riviera and Cape Canaveral steam plants based on the company planning for the near-term retirement and modernization of these plants. The recovery of these associated costs was provided by using \$44.9 million of the calculated reserve surplus. In a January 13, 2010, press release, Florida Power & Light Company (FPL) stated that it was immediately suspending activities on the modernization of the Riviera and Cape Canaveral plants. Attached is FPL's January 13, 2010, Press Release found on its website. Based on FPL's representations in that release, Commission staff poses the following data requests:

1. Please explain or describe the exact meaning of the Company's statement that activities on modernizing Riviera and Cape Canaveral are suspended. Please include in your response whether the modernization of these plants has been canceled or simply delayed.
2. Please explain or describe whether suspending activities on the modernization of the Riviera and Cape Canaveral plants includes not retiring these plants from service as indicated in FPL's depreciation study filed in Docket No. 090130-EI and consolidated with Docket No. 080677-EI. If your explanation is affirmative, please explain and describe the current planning for these plants. Please include in your response any new retirement dates for both Riviera and Cape Canaveral.

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January 20, 2010

3. If Riviera and Cape Canaveral are no longer planned for near-term retirement and modernization as combined-cycle plants, please explain and describe how, if at all, this affects the construction of and the need for the West County Energy Center Units.
4. If Riviera and Cape Canaveral are no longer planned for near-term retirement, will FPL be seeking a reconsideration of the revenue requirements and depreciation rates set in this docket? Explain why or why not and if it expects to file, when it expects to file.
5. Please identify the revenue requirement effect of the Commission's decision to use the reserve surplus to offset the \$44.9 million reserve deficit associated with the near-term retirement of Riviera and Cape Canaveral.
6. Please provide the expected reserve margins for each of the years 2011 through 2020 recognizing FPL's plans to suspend modernization activities at Riviera and Cape Canaveral.

Please file the original and five copies of the requested information by Wednesday, January 26, 2010, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850.

Sincerely,



Lisa C. Bennett
Senior Attorney

LCB/th

cc: Office of Commission Clerk
Docket Nos. 080677-EI; 090130-EI (Parties)