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COMMISSION
CLERK

November 23, 2010

VIA UPS OVERNIGHT

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard, Room 110
Tallahassee, Fl 32399-0850

RE: Docket No. 100410-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") is the original affidavit of Kim Ousdahl, Vice President, Controller and Chief Accounting Officer of FPL. This original is Attachment 1 to FPL's response to Question 3 in Data Request No. 1, which was filed on November 23, 2010.

Please contact me if you or your Staff has any questions regarding this filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'John T. Butler', written over a printed name.

John T. Butler

Enclosure

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

In re: Review of Florida Power & Light Company's earnings
Generating Performance Incentive Factor
Factor) Docket No: 100410-EI
)
)
)

STATE OF FLORIDA) AFFIDAVIT OF KIM OUSDAHL
COUNTY OF PALM BEACH)

BEFORE ME, the undersigned authority, personally appeared Kim Ousdahl, who, being first duly sworn deposes and says:

1. My name is Kim Ousdahl. I am the Vice President, Controller and Chief Accounting Officer for Florida Power & Light Company ("FPL"). I have knowledge of the matters stated in this affidavit. My affidavit addresses the time that would be required to restate seven months of surveillance report information using FPSC staff-directed inputs in lieu of data from FPL's books and records concerning the amortization of depreciation reserve credits.

2. The Company utilizes its legacy Regulatory Interface System to produce its monthly earnings surveillance reports. This system was developed to operate in an Oracle database environment. It is designed to pull thousands of lines of transactional information at the cost of service-specific level, from multiple other mainframe interface programs in order to produce monthly regulatory financial statements. These statements are based on actual results, as adjusted to reflect the proper regulatory retail rate base, net operating income and earnings along with various financial indicators.

3. Contrasting this RIS system design with that of a standard general ledger system may be helpful. General ledger systems are generally designed with a recognition that financial closings and consolidations may actually occur more than once in a month due to identified errors or updated information. In rare occasions, restatements of prior financial results may be required. So, standard general ledger systems will typically allow "topside adjusting" journal entries. In contrast, the RIS system was never built with the intent that ESRs be reproduced under another set of assumptions. It was designed to do the following: (1) feed actual results, (2) run specifically sequenced interfaces to pull data from the plant, GL and revenue systems, (3) calculate and overlay required manual adjustments,(4) produce, and (5) validate the reports. This process is performed once for each reporting month; the following month, this process begins again. The typical time frame to complete an ESR from start to finish is 4-5 weeks.

4. Given this design, the first thing we must do to restate an ESR is to eliminate controls which have been built into the RIS code to prohibit changes being made after the fact to the system's historical data files. To make changes to the historical results, we must copy the RIS database to a test environment, reload all required interfaces in their specific required sequence, reenter all manual adjustments to the inputs to reflect whatever parameters are being restated, and produce and validate new, hypothetical ESR results. This is a very complex and technical exercise requiring coordination our Information Management department (which is knowledgeable about the programming of RIS) with our Accounting and Finance personnel (who know the data that is processed). We will need to maintain the test environment to continue to produce future, restated ESRs if directed to do so by the Commission.

5. FPL has estimated that it would take approximately three months (90 days) to generate restated ESRs for the seven months from March to September 2010. This estimate is conservative because it assumes that FPL can generate each restated ESR in a little less than two weeks, notwithstanding that the ESRs initially require 4-5 weeks each to generate and much of the work required to generate a new ESR also would be required to generate a restated ESR.

6. Affiant says nothing further.

Kim Ousdahl

Kim Ousdahl

SWORN TO AND SUBSCRIBED before me this 23 day of November, 2010, by Kim Ousdahl, who is personally known to me or who has produced personally known (type of identification) as identification and who did take an oath.

Janet L. Ervin

Notary Public, State of Florida

My Commission Expires: April 25, 2011

