BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchase power cost recovery clause with generating performance incentive factor

Docket No: 140001-EI Date: August 11, 2014

FLORIDA POWER & LIGHT COMPANY'S OBJECTIONS TO THE OFFICE OF PUBLIC COUNSEL'S THIRD SET OF INTERROGATORIES (NOS. 18-59) AND FOURTH REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 5-28)

Florida Power & Light Company ("FPL"), pursuant to Rules 1.340 and 1.350, Florida Rules of Civil Procedure, Rule 28-106.206, Florida Administrative Code, and Order No. PSC-14-0084-PCO-EI, submits the following Objections to the Office of Public Counsel's ("OPC's") Third Set of Interrogatories (Nos. 18-59) and Fourth Request for Production of Documents (Nos. 5-28) to Florida Power & Light Company.

I. <u>Preliminary Nature of These Objections</u>

FPL's objections stated herein are preliminary in nature. FPL is furnishing its objections consistent with the time frame set forth in the Commission's Order Establishing Procedure, Order No. PSC-14-0084-PCO-EI dated February 4, 2014, and Rule 1.190(e), Florida Rules of Civil Procedure. Should additional grounds for objection be discovered as FPL develops its responses, FPL reserves the right to supplement or modify its objections up to the time it serves its responses. Should FPL determine that a protective order is necessary regarding any of the information requested of FPL, FPL reserves the right to file a motion with the Commission seeking such an order at the time its response is due.

II. General Objections

FPL objects to each and every discovery request that calls for information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law, whether such privilege or protection appears at the time response is first made or is later determined to be applicable for any reason. FPL in no way intends to waive any such privilege or protection. The nature of the documents, if any, will be described in a privilege log prepared and provided by FPL.

FPL is a large corporation with employees located in many different locations. In the course of its business, FPL creates numerous documents that are not subject to Florida Public Service Commission or other governmental record retention requirements. These documents are kept in numerous locations and frequently are moved from site to site as employees change jobs or as business is reorganized. Therefore, it is possible that not every relevant document may have been consulted in developing FPL's responses to the discovery requests. Rather, these responses provide all of the information that FPL obtained after a reasonable and diligent search conducted in connection with these discovery requests. To the extent that the discovery requests propose to require more, FPL objects on the grounds that compliance would impose an undue burden or expense on FPL.

FPL objects to each discovery request to the extent that it seeks information that is duplicative not relevant to the subject matter of this docket and is not reasonably calculated to lead to the discovery of admissible evidence.

FPL objects to each and every discovery request to the extent it is vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of such discovery requests. Any responses provided by FPL will be provided subject to, and without waiver of, the foregoing objection.

FPL also objects to each and every discovery request to the extent it calls for FPL to prepare information in a particular format or perform calculations or analyses not previously

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prepared or performed as unduly burdensome and purporting to expand FPL's obligations under applicable law.

FPL objects to providing information to the extent that such information is already in the public record before a public agency and available through normal procedures or is readily accessible through legal search engines.

FPL objects to each and every discovery request that calls for the production of documents and/or disclosure of information from NextEra Energy, Inc. and any subsidiaries and/or affiliates of NextEra Energy, Inc. that do not deal with transactions or cost allocations between FPL and either NextEra Energy, Inc. or any subsidiaries and/or affiliates. Such documents and/or information do not affect FPL's rates or cost of service to FPL's customers. Therefore, those documents and/or information are irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Furthermore, FPL is the party appearing before the Florida Public Service Commission in this docket. To require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. Subject to, and without waiving, any other objections, FPL will respond to the extent the request pertains to FPL and FPL's rates or cost of service charged to FPL's customers. To the extent any responsive documents contain irrelevant affiliate information as well as information related to FPL and FPL's rates or cost of service charged to its customers, FPL may redact the irrelevant affiliate information from the responsive documents. Please note that this objection does not apply to discovery regarding the wholly-owned subsidiary that FPL intends to form for the purpose of holding FPL's investment in gas reserve projects.

Where any discovery request calls for production of documents, FPL objects to any production location other than the location established by FPL, at FPL's Tallahassee Office

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located at 215 South Monroe Street, Suite 810, Tallahassee, Florida, unless otherwise agreed by the parties.

FPL objects to each and every discovery request and any instructions that purport to expand FPL's obligations under applicable law.

In addition, FPL reserves its right to count discovery requests and their sub-parts, as permitted under the applicable rules of procedure, in determining whether it is obligated to respond to additional requests served by any party.

FPL expressly reserves and does not waive any and all objections it may have to the admissibility, authenticity or relevance of the information provided in its responses.

III. Specific Objections

Third Set of Interrogatories (Nos. 18-59)

Interrogatory No. 19

FPL objects to Interrogatory No. 19 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. Whether affiliates other than USG and USG Properties Woodford I, LLC have such an ownership interest or agreements for developing and operating natural gas production wells has no bearing on the transaction proposed by FPL. USG's role is simply and exclusively to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings

calculations. Subject to, and without waiving, any other objections, FPL will provide its response to this interrogatory in its responses to be served on August 18, 2014.

Interrogatory No. 20

FPL objects to Interrogatory No. 20 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. Moreover, FPL does not possess such information and USG is not a party to this proceeding and has not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG has agreed only to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. The reference to USG's successful effort in drilling programs around the country is solely intended to demonstrate USG's comfort with these types of transactions and its willingness to enter into and pursue the PetroQuest transaction for the benefit of USG if the Commission does not approve FPL's request for assignment of the Woodford Project. The success or failure of a given well is unrelated to USG's interest in and commitment to retaining the Woodford Project over the long term. Additionally, FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations.

Interrogatory No. 21

FPL objects to Interrogatory No. 21 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature

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unduly burdensome and overbroad. Moreover, FPL does not possess such information and USG is not a party to this proceeding and has not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG has agreed only to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. The reference to USG's successful effort in drilling programs around the country is solely intended to demonstrate USG's comfort with these types of transactions and its willingness to enter into and pursue the PetroQuest transaction for the benefit of USG if the Commission does not approve FPL's request for assignment of the Woodford Project. The success or failure of a given well is unrelated to USG's interest in and commitment to retaining the Woodford Project over the long term. Additionally, FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations.

Interrogatory No. 22

FPL objects to Interrogatory No. 22 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. Moreover, FPL does not possess such information and USG is not a party to this proceeding and has not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG has agreed only to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. The reference to USG's successful effort in drilling programs around the country is solely intended to

demonstrate USG's comfort with these types of transactions and its willingness to enter into and pursue the PetroQuest transaction for the benefit of USG if the Commission does not approve FPL's request for assignment of the Woodford Project. The success or failure of a given well is unrelated to USG's interest in and commitment to retaining the Woodford Project over the long term. Additionally, FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations.

Interrogatory No. 24

FPL objects to Interrogatory No. 24 to the extent that it seeks information for wells other than those that are the subject of the proposed transaction on the grounds that such information is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. Moreover, FPL does not possess such information and USG is not a party to this proceeding and has not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG has agreed only to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. The reference to USG's successful participation in a joint venture with PetroQuest in the Woodford Shale Gas Region is solely intended to demonstrate USG's comfort with these types of transactions and its willingness to enter into and pursue the PetroQuest transaction for the benefit of USG if the Commission does not approve FPL's request for assignment of the Woodford Project. The success or failure of a given well is unrelated to USG's interest in and commitment to retaining the Woodford Project over the long term. FPL utilized the services of Forrest A. Garb &

Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations. Subject to, and without waiving, any other objections, FPL will provide its response to this interrogatory in its responses to be served on August 18, 2014.

Interrogatory No. 25

FPL objects to Interrogatory No. 25 to the extent that it seeks information for wells other than those that are the subject of the proposed transaction on the grounds that such information is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. Moreover, FPL does not possess such information and USG is not a party to this proceeding and has not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG has agreed only to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. The reference to USG's successful participation in a joint venture with PetroQuest in the Woodford Shale Gas Region is solely intended to demonstrate USG's comfort with these types of transactions and its willingness to enter into and pursue the PetroQuest transaction for the benefit of USG if the Commission does not approve FPL's request for assignment of the Woodford Project. The success or failure of a given well is unrelated to USG's interest in and commitment to retaining the Woodford Project over the long term. Additionally, FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations. Subject to, and without waiving, any other objections, FPL will provide its response to this interrogatory with regard to the wells

which FPL would hold an interest in pursuant to the PetroQuest transaction in its responses to be served on August 18, 2014.

Fourth Request for Production of Documents (Nos. 5-28)

Request for Production No. 6

FPL objects to Request for Production No. 6 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. FPL's proposal does not possess such information and USG is not a party to this proceeding and has not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG's role is simply and exclusively to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations.

Request for Production No. 7

FPL objects to Request for Production No. 7 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. FPL's proposal does not possess such information and USG is not a party to this proceeding and has not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG's role is simply and exclusively to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations.

Request for Production No. 18

FPL objects to Request for Production No. 18 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. FPL's does not possess such information and other NextEra Energy affiliates are not parties to this proceeding and have not joined in FPL's request in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG's role is simply and exclusively to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations.

Request for Production No. 19

FPL objects to Request for Production No. 19 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. FPL does not possess such information and other NextEra Energy affiliates are not parties to this proceeding and have not joined in FPL's request in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG's role is simply and exclusively to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations.

Request for Production No. 27

FPL objects to Request for Production No. 27 on the grounds that it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, to require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. FPL does not possess such information and other NextEra Energy affiliates are not parties to this proceeding and have not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Rather, USG's role is simply and exclusively to serve as a backstop for the PetroQuest transaction with FPL so as to provide FPL and the Commission an opportunity to assess the benefits of investing in gas reserves. FPL utilized the services of Forrest A. Garb & Associates to perform an analysis of the Woodford Project. This analysis validates the inputs used to perform the customer savings calculations. Moreover, FPL does not possess such information and/or documents and other NextEra Energy affiliates other than FPL are not parties to this proceeding and have not joined in FPL's request for Commission approval of the transfer to FPL of USG's interest in the PetroQuest transaction. Subject to, and without waiving, any other objections, FPL will provide its response to this request for production in its responses to be served on August 18, 2014.

Respectfully submitted this 11th day of August 2014.

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By: <u>s/Scott A. Goorland</u>

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CERTIFICATE OF SERVICE Docket No. 140001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic service on this 11th day of August, 2014 to the following:

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