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August 17, 2015

-VIA ELECTRONIC DELIVERY -

Ms. Carlotta Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 150075-EI

Dear Ms. Stauffer:

Enclosed for filing on behalf of Florida Power & Light Company are its responses to the Commission Staff's Third Data Request, dated August 11, 2015.

Please contact me at 561-304-5639, if you or your Staff have any questions regarding this filing.

Sincerely,

/s/ John T. Butler

John T. Butler

Enclosures

cc: Counsel for Parties of Record (w/encl.)

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic delivery on the 17th day of August 2015, to the following:

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By: /s/ John T. Butler
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**Florida Power & Light Company
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Staff's Third Data Request
Question No. 1
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Q.

Please refer to page 3, section 3 (a) (i) of the settlement agreement, beginning at the second sentence which states “until the next test year for a general base rate proceeding (or the equivalent).”

a. Please define what you mean by “or the equivalent?”

b. Please identify what proceedings outside of a full rate case that FPL would suggest as qualifying this definition.

A.

a) The intent of Section 3(a)(i) is to have \$85 million of the Purchase Price Regulatory Asset remain in FPL's base rates until those base rates are next reset. The phrase “or the equivalent” was added primarily to avoid the potential for an unforeseen, restrictive application of the phrase “general base rate proceeding,” such that Section 3(a)(i) would be deemed not to apply to some sort of proceeding in which FPL's base rates were reset. One possible example of an “equivalent” to a general base rate proceeding would be a limited proceeding under Section 366.076, Florida Statutes, that would have the effect of resetting FPL's base rates but arguably would not be characterized as a “general base rate proceeding.”

b) See response to subpart (a).

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Q. Please refer to FPL's response to Staff's First Set of Interrogatories, No. 21. Please provide an updated estimated monthly bill impact based upon the proposed settlement agreement.

A. The estimated bill impact based on the proposed settlement agreement for a residential customer for both 1,000 kWh/month and 1,200 kWh/month usage for the period 2016 through 2024 is shown on the chart below. As noted in footnote (1) to the chart, the impact of the proposed settlement on 2015 revenue requirements is incorporated into the 2016 bill impact. If the proposed settlement agreement is approved, FPL will propose to reflect the impact on 2015 Fuel and Capacity Clause recovery amounts as a true-up in the calculation of the 2016 Fuel and Capacity Clause factors.

RESIDENTIAL BILL IMPACT		
YEAR	1000 KWH	1200 KWH
2016 (1)	(\$0.17)	(\$0.21)
2017	(\$0.09)	(\$0.11)
2018	(\$0.19)	(\$0.23)
2019	(\$0.28)	(\$0.34)
2020	(\$0.37)	(\$0.45)
2021	(\$0.46)	(\$0.56)
2022	(\$0.55)	(\$0.67)
2023	(\$0.64)	(\$0.77)
2024	(\$0.73)	(\$0.88)

(1) includes 2015 jurisdictional revenue requirements

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Q. Please refer to Page 5, section 3(c)(iii) of the settlement agreement. Please clarify under what type of procedure would the prudence of FPL's actions with regards to the ground lease and ownership of the Cedar Bay Facility be determined.

A. As a preliminary matter, please note that FPL would not incur costs for environmental liability associated with the ground lease and ownership of the Cedar Bay Facility unless (i) it was found liable for the environmental conditions, (ii) such liability was not subject to reimbursement pursuant to the ground lease with RockTenn, and (iii) such liability is not covered by the proposed \$40 million environmental liability insurance policy.

In the event that there were unreimbursed environmental liability costs, they would be recorded as a base rate expense and would impact customers only to the extent that they were expensed during a test year associated with a base rate proceeding or equivalent (see FPL's answer to Staff's Third Data Request No. 1). If the environmental liability charges did impact test year revenue requirements, intervenors would have the right to challenge, and the Commission the authority to evaluate, whether recording such charges as an above-the-line base expense would be appropriate. If FPL failed to show that it acted prudently, such costs would be disallowed for ratemaking purposes.