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

DOCKET NO. 080677-EI

FILED: August 6, 2009

COMMISSION  
CLERK

**STAFF'S MOTION FOR ORDER**  
**COMPELLING RESPONSES TO INTERROGATORIES**

Pursuant to Fla. R. Civ. P. 1.340(a), Fla. R. Civ. P. 1.380(a)(2), and Rule 28-106.204, Florida Administrative Code, the Staff of the Florida Public Service Commission (Staff), by its undersigned attorney, moves the Florida Public Service Commission for an order requiring Florida Power & Light Company (FPL), to fully respond to the following interrogatories concerning allocations of officer, director and employee compensation.

1. On May 22, 2009, Staff served upon FPL its third set of interrogatories (Nos. 9-19). On June 11, 2009, FPL served its objections to Staff's third set of interrogatories. FPL objected to responding to Staff's third set of interrogatories with only "General Objections." Attachment A hereto. FPL made no specific objection to either interrogatory 16 or 17, which were the interrogatories directed at the compensation information.

2. FPL has failed to fully respond to interrogatory Nos. 16 (related to FPL Group) and 17 (related to FPL), which are repeated below:

For each officer of [FPL Group #16 / Florida Power & Light Company #17] for 2008, 2009, and 2010, please provide the name and title of the officer and the actual or projected compensation amounts for the following:

- a) Base Salary
- b) Stock Awards
- c) Option Awards
- d) Non-Equity Incentive Plan Compensation
- e) All Other Compensation
- f) Total Compensation
- g) Amount of Total Compensation Allocation to FLORIDA POWER & LIGHT

COMPANY

h) Amount of Total Compensation Included in Adjusted Jurisdictional Other O&M Expenses on MFR Schedule C-1, Pages 1, 2, and 3.

FPL's responses to interrogatory Nos. 16 and 17 were evasive or incomplete as follows:

(a). The responses provided for a) through f) are incomplete because the name and title for each officer is not matched with the dollar amounts provided, except for 5 officers. Staff needs this information to evaluate the appropriateness of the employee compensation to be included in rate base.

(b). In addition, the responses provided for a) through f) are incomplete because compensation amounts provided for a) through f) above were developed by applying an "affiliation allocation rate" and do not represent the net "expense to FPL for each individual." The amounts for a) through e) should be gross amounts before any allocations. The total of a) through e) should be provided as the response to f). The responses to g) should then show the amounts allocated to FPL. Staff needs this information to evaluate the appropriateness of the employee compensation and its allocation between FPL Group and FPL for purposes of including such amounts in rate base.

(c). FPL did not respond to h). The responses to h) should identify the amount included in "Adjusted Jurisdictional Other O & M Expenses" shown on MFR Schedule C-1, pages 1 – 3. It would be acceptable for FPL to provide a reasonable estimate and an explanation of how the estimate was developed. Staff needs this information to evaluate FPL's request for inclusion of portions of employee compensation into rate base.

3. On May 29, 2009, Staff served upon FPL its fourth set of interrogatories (Nos. 20-35). On June 18, 2009, FPL served its objections to Staff's fourth set of interrogatories. FPL objected to responding to Staff's fourth set of interrogatories with only "General Objections"

virtually identical to those filed with regard to Staff's third set of interrogatories. Attachment A hereto. FPL made no specific objection to interrogatory 32.

4. FPL failed to fully respond to interrogatory No. 32, which is reflected below:

For each employee of Florida Power & Light Company whose total compensation is \$200,000 or greater, provide the following:

- a. Name/Title
- b. Base Salary (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- c. Overtime Pay (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- d. Bonuses (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- e. Stock Awards (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- f. Option Awards (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- g. Non-Equity Incentive Plan Compensation (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- h. All Other Compensation (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- i. Total Compensation (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- j. Amount of Total Compensation Allocated to Florida Power & Light Company (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011)
- k. Amount of Total Compensation Included in Adjusted Jurisdictional Other O&M Expenses on MFR Schedule C-1, Pages 1, 2 and 3 (the actual or projected compensation amounts for 2008, 2009, 2010 and 2011).

FPL's responses to interrogatory No. 32 were evasive or incomplete as follows:

(a). The name and title a) for each employee is not matched with the dollar amounts provided for b) and k). As stated above, staff needs this information to evaluate the appropriateness of the employee compensation to be included in rate base.

(b). In addition, the responses provided for b) through i) are incomplete because compensation amounts provided for b) through (i) were developed by applying an "affiliation allocation rate" and represent the net "expense to FPL for each individual." The amounts for

b) through h) should be gross amounts before any allocations. The total of b) through h) should be provided as the response to i). The response to j) should then show the amounts allocated to FPL. Staff needs this information to evaluate the appropriateness of the employee compensation and its allocation between FPL Group and FPL for purposes of inclusion into rate base.

(c). FPL originally did not respond to k). The response necessary should have identified the amount included in “Adjusted Jurisdictional Other O & M Expenses” shown on MFR Schedule C-1, pages 1 – 3. In discussions with FPL, staff concurred that it would be acceptable for FPL to provide a reasonable estimate and an explanation of how the estimate was developed. FPL provided a supplemental response on August 5, 2009 which gave staff a reasonable estimate. Staff would still like an explanation of how the estimate was developed.

(d). Further FPL only provided responses to Interrogatory 32 for the year 2008. In its response to the Interrogatory, FPL stated:

With respect to the requested estimates for 2009 through 2011, FPL does not budget total compensation or its components at the individual employee level. Each FPL business unit budgets for the base salary, overtime, non-equity incentive plan compensation and certain other earnings of its employees, which are aggregated. FPL also maintains a separate corporate budget location where stock awards and option awards are budgeted, also on an aggregate basis. Therefore, forecasting each component of total compensation for each employee listed on attached 2008 schedule for 2009, 2010 and 2011 cannot be done with precision. A fair estimate of 2009, 2010 and 2011 expenses would be to escalate the 2008 numbers in Attachment No. 1 by the MFR C-35 year-over-year increases of gross average payroll per employee for 2009, 2010 and 2011 of 2.64%, 3.41%, and 0.87% respectively.

With respect to the estimates for 2009 through 2011 compensation for officers provided by the Company in FPL’s response to Staff’s third Set of Interrogatories No. 16, such estimates were possible to perform because all officers are budgeted in one centralized location rather than by each respective business unit. Furthermore, in the centralized budget for officers, “base salary,” “non-equity plan compensation,” and some “other” compensation expenses are budgeted by

individual. As to the “stock awards” and “options,” FPL used the estimated grants that would be awarded to each executive each year. This combination of salary, non-equity incentives, equity and other compensation estimates give a fair view of the amount of compensation each executive may receive in 2009, 2010 and 2011. However, the same individual budget data does not exist in the same format for all employees below officer level.

FPL has only provided complete responses to staff for FPL’s 2008 historical year. But FPL has presented its rate case for a projected year of 2010 and a subsequent projected year of 2011. Included in FPL’s rate base is employee compensation. Employee compensation is an issue in the proceeding and intervenors have provided testimony questioning employee compensation. Staff needs the requested information to evaluate FPL’s proposed rate increase.

5. On June 25, 2009, Staff served upon FPL its eighth set of interrogatories (Nos. 96-97). On July 15, 2009, FPL served its objections to Staff’s eighth set of interrogatories. FPL objected to responding to Staff’s eighth set of interrogatories with only “General Objections” virtually identical to those filed with regard to Staff’s third and fourth sets of interrogatories. Attachment A hereto. FPL made no specific objection to interrogatory No. 97.

6. FPL failed to fully respond to interrogatory No. 97:

For each employee of Florida Power & Light Company whose total annual compensation is \$165,000 or greater but less than \$200,000, provide the actual or projected compensation amounts for 2008, 2009, 2010 and 2011 for the following:

- a. Name/Title
- b. Base Salary
- c. Overtime Pay
- d. Bonuses
- e. Stock Awards
- f. Option Awards
- g. Non-Equity Incentive Plan Compensation
- h. All Other Compensation
- i. Total Compensation
- j. Amount of Total Compensation Allocated to Florida Power & Light Company

k. Amount of Total Compensation Included in Adjusted Jurisdictional Other O&M Expenses on MFR Schedule C-1, Pages 1, 2 and 3.

FPL's response was evasive or incomplete as follows:

(a). The name and title a) for each employee is not matched with the dollar amounts provided for b) and k). As stated above, staff needs this information to evaluate the appropriateness of the employee compensation to be included in rate base.

(b). In addition, the responses provided for b) through j) are incomplete because compensation amounts provided for b) through (i) were developed by applying an "affiliation allocation rate" and represent the net "expense to FPL for each individual." The amounts for b) through h) should be gross amounts before any allocations. The total of b) through h) should be provided as the response to i). The response to j) should then identify the amounts allocated to FPL. Staff needs this information to evaluate the appropriateness of the employee compensation and its allocation between FPL Group and FPL.

(c). FPL did not provide a response to k) in its first set of responses. After discussion with staff, FPL provided a supplemental response which adequately addressed staff's question raised by 97(k). It was acceptable for FPL to provide a reasonable estimate. Staff would still like FPL to include an explanation of how the estimate was developed.

(d). Further FPL only provided responses to Interrogatory 97 for the year 2008. In its response to the Interrogatory, FPL stated:

With respect to the requested estimates for 2009 through 2011, FPL does not budget total compensation or its components at the individual employee level. Each FPL business unit budgets for the base salary, overtime, non-equity incentive plan compensation and certain other earnings of its employees, which are aggregated. FPL also maintains a separate corporate budget location where stock awards and option awards are budgeted, also on an aggregate basis. Therefore, forecasting each component of total compensation for each employee listed on Attachment No. 1 cannot be done with precision. A fair estimate of

2009, 2010 and 2011 expenses would be to escalate the 2008 numbers in Attachment No. 1 by the MFR CC-35 year-over-year increases of gross average payroll per employee for 2009, 2010 and 2011 of 2.64%, 3.41%, and 0.87% respectively.

As stated above, staff needs the 2009, 2010, and 2011 information to evaluate FPL's proposed inclusion of employee compensation in rate base. FPL has presented its rate case for a projected year of 2010 and a subsequent projected year of 2011. Included in FPL's rate base is employee compensation. Employee compensation is an issue in the proceeding and intervenors have provided testimony questioning employee compensation. Staff needs the requested information to evaluate FPL's proposed rate increase.

7. Complete responses to interrogatories Nos. 16, 17, 32, and 97 as set forth above is required as part of Staff's analysis in this docket. The Commission reviews expenses for reasonableness. Compensation is a major component of FPL's operating expenses which may be recoverable from ratepayers and, therefore, is a significant component of base rates. In order to determine if the portion of an employee's compensation allocated to FPL is reasonable, the Commission needs to know if the total compensation for that employee is reasonable. Staff is currently unable to determine the reasonableness of compensation allocations between FPL and FPL Group. The purpose of obtaining this information is to show the revenue effect on rates. Ultimately, this information impacts the revenue requirement which translates into rates and charges.

8. In its responses to interrogatories 16, 17, 32, and 97, FPL states:

Once all of the expenses for 2008 through 2011 were developed, an affiliate allocation rate was then applied to more accurately reflect the amount of expense to FPL for each individual. Please refer to Attachment No. 1 of FPL's response...for more details. Attachment No. 1 is confidential and will be made available by FPL for inspection and review....

Upon Staff's request, FPL filed an un-redacted version of Attachment No. 1 with the Clerk's office with a request for confidential classification. Staff has reviewed this document and it does not provide the information necessary to respond to interrogatories Nos. 16, 17, 32, and 97.

9. In addition to Attachment 1, FPL counsel informed Staff that a "key" exists which would allow Staff to be able to match each employee with their compensation amounts. FPL indicated that the "key" would not provide other information responsive to Staff's interrogatories such as unallocated compensation amounts. Thus even if the "key" is provided to Staff, FPL's response will still not fully comply with Staff's discovery. Staff has asked the utility to provide this "key." FPL takes the position that it will not file the "key" with the Commission, but has allowed Staff to view it at FPL's offices. FPL's position is unsupportable. FPL is required to provide complete responses to interrogatory Nos. 16, 17, 32, and 97 pursuant to Fla. R. Civ. Pro 1.280 and 28-106.206, F.A.C. FPL has made no valid, timely, and specific objection to the interrogatories at issue. Therefore, it is incumbent upon FPL to fully and accurately respond to these interrogatories without delay.

10. Staff has notified FPL of FPL's failure to respond and conferred in good faith with FPL in an effort to secure the requested discovery without Commission action. Attached as Attachment B is an email sent to FPL and all parties and FPL's response to staff's email. While FPL did file a supplemental response to Interrogatories 32(k) and 97(k), and indicated it was willing to provide responses to Interrogatory 32 and 97 for the years 2009 through 2011, it did not indicate it would file complete responses. Staff must have complete responses to all interrogatories except 32 (k) and 97(k), as stated above. Staff needs the information to evaluate FPL's assertion that the employee compensation is appropriate for recovery in rate base.

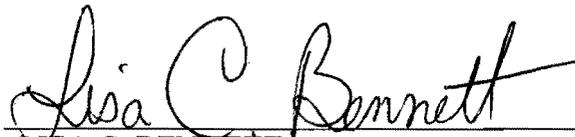
11. Staff notes that FPL's Request for Confidential Classification of those portions of the

responses that FPL did provide to these interrogatories is being considered at the Commission's August 18, 2009, Agenda Conference. FPL's Request for Confidential Classification and staff's Motion to Compel are integrally related. As such, staff requests that the Motion to Compel be considered at the same Agenda Conference.

12 Staff requests that FPL provide a response to this Motion to Compel no later than noon, Monday, August 10, 2009, so that a recommendation including both staff and FPL's positions can be considered by the Commission.

WHEREFORE, Staff requests that the Commission enter an order compelling FPL to respond within two (2) days to each interrogatory and each subpart with answers that are specifically responsive and that are individually and clearly labeled to identify which interrogatory and specific subpart the answer is responsive to.

Respectfully submitted,



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 080677-EI

FILED: August 6, 2009

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished to John T. Butler, Esquire, Florida Power & Light Company, 700 Universe Blvd., Juno Beach, Florida 33408-0420, and that a true and correct copy was furnished by electronic and by U.S. Postal Mail, on this 6<sup>th</sup> day of August, 2009:

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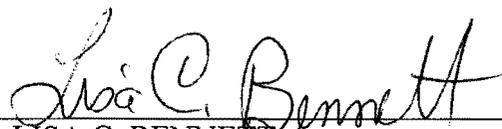
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# Attachment A

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for increase in rates by )  
Florida Power & Light Company )  
)  
In Re: 2009 depreciation and dismantlement )  
study by Florida Power & Light Company )  
\_\_\_\_\_ )

Docket No. 080677-EI

Docket No. 090130-EI

Served: June 11, 2009

### **FLORIDA POWER & LIGHT COMPANY'S OBJECTIONS TO STAFF'S THIRD SET OF INTERROGATORIES (NOS. 9-19) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-3)**

Florida Power & Light Company ("FPL"), pursuant to Rules 1.340 and 1.350, Florida Rules of Civil Procedure, and Rule 28-106.206, Florida Administrative Code, submits the following objections the Staff of the Florida Public Service Commission's ("Staff's") Third Set of Interrogatories (Nos. 9-19) and First Request for Production of Documents (Nos. 1-3) in Docket No. 080677-EI.

#### **I. Preliminary Nature of These Objections**

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-09-0159-PCO-EI dated March 20, 2009, 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 document(s), if any, will be described in a privilege log prepared and provided by FPL.

In certain circumstances, FPL may determine, upon investigation and analysis, that information responsive to certain discovery requests to which objections are not otherwise asserted is confidential and proprietary and should not be produced without provisions in place to protect the confidentiality of the information, if at all. By agreeing to provide such information in response to such request, FPL is not waiving its right to insist upon appropriate protection of confidentiality by means of a protective order or other action to protect the confidential information requested. FPL asserts its right to require such protection of any and all documents that may qualify for protection under the Florida Rules of Civil Procedure and other applicable statutes, rules and legal principles.

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 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 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 prepared or performed as 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 the Florida Public Service Commission and available to the requesting Party through normal procedures.

FPL objects to each and every discovery request that calls for the production of documents and/or disclosure of information from FPL Group, Inc. and any subsidiaries and/or affiliates of FPL Group, Inc. that do not deal with transactions or cost allocations between FPL and either FPL Group, 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 document(s).

FPL objects to any production location other than the location established by FPL, at Rutledge, Ecenia & Purnell, P.A., 119 South Monroe Street, Suite 202, Tallahassee, Florida.

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

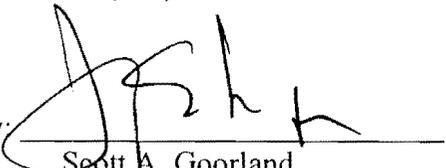
In addition, FPL reserves its right to count discovery requests and their sub-parts, as permitted under the applicable rules of procedure, in determining whether it is obligated to respond to additional requests served by any party.

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

Notwithstanding any of the foregoing general objections and without waiving these objections, FPL intends in good faith to respond to Staff's discovery requests.

Respectfully submitted this 11th day of June, 2009.

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By: 

Scott A. Goorland  
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## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically and by United States Mail 11th day of June, 2009, to the following:

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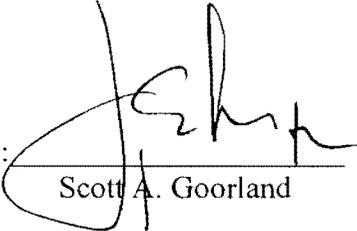
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By:   
Scott A. Goorland

Lisa Bennett

Attachment B

**From:** Smith, Natalie [Natalie.Smith@fpl.com]  
**Sent:** Thursday, August 06, 2009 3:01 PM  
**To:** Lisa Bennett; Brian P. Armstrong Esq. ; Cecilia Bradley Esq.; J. R. Kelly ; J. Spina; Leon, Jack; John LaVia; John McWhirter; Butler, John; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; jyarbrough@southdaytona.org; K. Wiseman; L. Purdy; mbraswell@sugarmansusskind.com; Mark F. Sundback; Marlene Stern ; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; sda@trippscott.com; TPerdue@aif.com; support@saporitoenergyconsultants.com; Vicki Gordon Kaufman ; Litchfield, Wade  
**Cc:** Andrew Maurey; Anna Williams; Arlisha Roberts; Betty Gardner; Brendan Hadder; Cayce Hinton; Cheryl Bulecza-Banks; Christy Piper; Clarence Prestwood; Clayton Lewis; Connie Kummer; Craig Hewitt; Dale Buys; David Dowds; Devlin Higgins; Elisabeth Draper; Jean Hartman; John Slemkewicz; Kaley Thompson; Karen Webb; Kathy Lewis; Marshall Willis; Martha Brown; Michael Springer; Pat Lee; Paul Stallcup; Paul Vickery; Pete Lester; Rhonda Hicks; Shari Cornelius; Sheri Coverman; Sid Matlock; Stacey Livingston; Stephen Garl; Sue Ollila; Theresa Walsh; Tom Ballinger; Walter Clemence  
**Subject:** RE: FPL Responses to Staff Interrogatories, Docket No. 080677

Lisa,

In regard to your request for an excel spreadsheet applying escalation factors per employee for 2009, 2010 and 2011, FPL agrees to provide the requested spreadsheet.

Regarding jurisdictional O&M, FPL agrees to respond to 16(h) and 17(h) and 32(k) and 97(k) with a more detailed description and assumptions as to the calculation of MFR Schedule C-1.

In regard to your request for gross amounts on Interrogatory nos. 16 and 17 (a)-(f) and 32 and 97 (a)-(i), FPL is working on a response that it hopes will meet staff's needs.

FPL has the same employee privacy concerns and concerns about driving up compensation costs with providing specific or generic job titles as it does with providing individual names. Given all of the compensation information FPL has provided or made available with the ability to cross-check, we feel that staff has what it needs to satisfy its responsibilities without subjecting FPL to employee privacy concerns and higher compensation costs.

Thank you very much for the opportunity to respond.

Natalie

**From:** Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]  
**Sent:** Thursday, August 06, 2009 1:56 PM  
**To:** Brian P. Armstrong Esq. ; Cecilia Bradley Esq.; J. R. Kelly ; J. Spina; Leon, Jack; John LaVia; John McWhirter; Butler, John; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; jyarbrough@southdaytona.org; K. Wiseman; L. Purdy; mbraswell@sugarmansusskind.com; Mark F. Sundback; Marlene Stern ; Smith, Natalie; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; sda@trippscott.com; TPerdue@aif.com; support@saporitoenergyconsultants.com; Vicki Gordon Kaufman ; Litchfield, Wade  
**Cc:** Andrew Maurey; Anna Williams; Arlisha Roberts; Betty Gardner; Brendan Hadder; Cayce Hinton; Cheryl Bulecza-Banks; Christy Piper; Clarence Prestwood; Clayton Lewis; Connie Kummer; Craig Hewitt; Dale Buys;

8/6/2009

David Dowds; Devlin Higgins; Elisabeth Draper; Jean Hartman; John Slemkewicz; Kaley Thompson; Karen Webb; Kathy Lewis; Lisa Bennett; Marshall Willis; Martha Brown; Michael Springer; Pat Lee; Paul Stallcup; Paul Vickery; Pete Lester; Rhonda Hicks; Shari Cornelius; Sheri Coverman; Sid Matlock; Stacey Livingston; Stephen Garl; Sue Ollila; Theresa Walsh; Tom Ballinger; Walter Clemence

**Subject:** FPL Responses to Staff Interrogatories, Docket No. 080677

**Importance:** High

Natalie,

Earlier today you and I spoke regarding staff's need for responses to its interrogatories and whether or not it was necessary for staff to file a Motion to Compel. In response to our earlier conversation, I wanted to clearly articulate exactly what staff needs to have from FPL to satisfy our interrogatory requests.

For responses to Interrogatories 16 and 17, staff must have by individual job positions, total compensation levels by job position. (Staff must have individual job positions and each component that comprises total compensation levels, as well as total compensation levels by each individual job position.)

For each job position, including officers and directors, we want all salary and incentive information including total compensation by each individual job position (see Interrogatory 16 and 17 (a) - (f) and 32 and 97 (a)-(i)) before the amounts are allocated to FPL. We want the information for each of the 368 job positions, which as I understand includes FPL and FPL Group job positions. We do not want the numbers aggregated.

You have previously provided the FPL allocated amounts for each job position, which is responsive to staff's interrogatories 16(g) and 17(g) and 32(j) and 97(j).

We will accept the aggregated information for Adjusted Jurisdictional Other O&M Expenses on MFR Schedule C-1 as long as supporting work papers and assumptions are provided with those responses. This will satisfy our requests for 16(h) and 17 (h) and 32(k) and 97(k).

In consideration of your concerns regarding employee privacy, staff is revising its request and would be satisfied with receiving the individual compensation information by each individual job title or position (Again, staff is referring to all employees but only needs the position or title and not the name. Staff does not want an aggregate number by groups of positions).

Finally, staff expressed its concern regarding only receiving 2008 information in response to interrogatory numbers 32 and 97. FPL provided us with per job description compensation for 2008. FPL also provided us with escalation factors as a fair estimate of the increases for 2009, 2010, and 2011. To completely answer staff's interrogatories, we request that FPL apply those escalation factors per employee and provide us with the excel spreadsheet. We did review the information you provided in response to SFHHA's interrogatory #298 and find that it is not sufficient for staff's purposes.

Please understand that providing this information to staff will answer our interrogatories but does not mean that staff concurs with any of FPL's positions and numbers provided in those interrogatories.

Staff is prepared to file a Motion to Compel FPL's responses to the interrogatories today. If you respond to this email by 3pm, today, indicating that you will provide the information as requested within a reasonable amount of time, staff will not file its motion to compel.

Lisa C. Bennett  
Office of the General Counsel  
2540 Shumard Oak Boulevard  
Tallahassee, FL  
850-413-6230

8/6/2009