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April 23, 2010

VIA HAND DELIVERY

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

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10 APR 23 PM 12:26  
COMMISSION  
CLERK

**RE: Docket No. 080677-EI**

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company are the original and five (5) copies of its responses to Staff's Data Request No. 3, dated April 19, 2010.

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

Sincerely,

  
John T. Butler

Enclosure

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

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an FPL Group company

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**Q1. On page 1 of the Motion for Reconsideration and Clarification, FPL requested clarification of apparent inconsistencies in Order No. PSC-10-01530-FOF-EI in the computation of the depreciation expense. Please identify and provide all record evidence, including any work papers in Excel format with formulas intact that relate to the depreciation expense inconsistencies. Please identify by page number, or exhibit number, where the evidence can be found in the record.**

A. The apparent discrepancies identified by FPL relate to the calculation of depreciation expense that appears on Schedule 3 of Order No. PSC-10-0153-FOF-EI ("Order 0153"). FPL understands that the Commission Staff performed that calculation based on the depreciation rates and the adjustments which the Commission approved at the January 13, 2010 special agenda conference. Because the record was closed prior to the special agenda conference, the adjustments and depreciation expense that the Commission approved at that time would not be in the record. Moreover, while the depreciation rates approved in Order 0153 are based on and supported by record evidence presented by the various depreciation witnesses, the Commission did not uniformly adopt the proposed rates of any one depreciation witness and, in fact, crafted rates for several plant accounts that it concluded were more appropriate than the rates proposed by the depreciation witnesses for those plant accounts. Thus, the full range of approved depreciation rates, upon which test year depreciation expense was then calculated, could not have been discerned by FPL or any other party until the Commission's approval at the special agenda conference. FPL discovered the apparent inconsistencies in the course of preparing to book depreciation expense for January 2010 under the newly approved rates and reaching results that differed significantly from what it expected based on the test year depreciation expense shown in Order 0153.

**Q2. FPL stated on page 11 of the Motion for Reconsideration and Clarification that applying the depreciation and dismantlement rates approved by the Commission in Order No. PSC-10-01530-FOF-EI, results in test year Depreciation and Amortization Expense of approximately \$624 million. Please provide all record evidence supporting the Company's calculation of the depreciation and dismantlement expense in the amount of \$624 million in Excel format with formulas intact. Please identify by page number or exhibit number, where the evidence can be found in the record.**

A. Please see the response to Question 1 above. FPL's calculated test year Depreciation and Amortization Expense of approximately \$624 million was not derived from information in the record; rather, it is the result of applying the depreciation and dismantlement rates and adjustments approved by the Commission in Order 0153, to the test year plant balances. As noted above, FPL does not believe that the Commission-approved adjustments and depreciation expense approved in Order 0153 are found in the record.