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Wednesday, July 18, 2012 12:27 PM

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Subject:

Electronic Filing - Docket No. 120015-El - OPC's Objections to FPL's 2nd Rogs

Attachments: Citizens' Objections to FPL 2nd Rog's Nos. 4-19.pdf

Electronic Filing

a. Person responsible for this electronic filing:

Patricia A. Christensen, Associate Public Counsel
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b. Docket No. 120015-El

In re: Petition for rate increase by Florida Power & Light Company

- c. Documents being filed on behalf of the Office of Public Counsel
- d. There are a total of 10 pages.
- e. The document attached for electronic filing is: Citizens' Objections to FPL's 2nd Set of Interrogatories (Nos. 4-19)

Thank you for your attention and cooperation to this request.

Phyllis W. Philip-Guide Assistant to Patricia A. Christensen Office of Public Counsel Phone #: 488-9330

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POCUMENT NUMBER -BATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida

Power & Light Company

Docket No: 120015-EI

Filed: July 18, 2012

<u>CITIZENS' OBJECTIONS TO FLORIDA POWER AND LIGHT'S SECOND SET OF</u> <u>INTERROGATORIES (NOS. 4-19)</u>

Office of Public Counsel, ("Citizens"), by the requirements set forth in the Commission Order No. PSC-12-0143-PCO-EI, Rule 28-106-206, Florida Administrative Code, and Rule 1.340, Florida Rules of Civil Procedure, submit the following response to the Second Set of Interrogatories (Nos. 4-19) propounded by Florida Power and Light (FPL) on July 3, 2012.

GENERAL OBJECTIONS

With respect to the "Definitions" and "Instructions" in the requests, Citizens object to any definitions or instructions that are inconsistent with Citizens' discovery obligations under applicable rules. If some question arises as to Citizens' discovery obligations, Citizens will comply with applicable rules and not with any of the definitions or instructions that are inconsistent with those rules.

Citizens object to each and every 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 Citizens are provided subject to, and without waiver of, the foregoing objection.

Citizens object to the extent any discovery request is unduly burdensome. Citizens further object to any requests that would require Citizens and/or its consultants to perform a new study or analysis.

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Citizens generally object to any request that calls for data or information protected by the attorney-client privilege, the work product privilege, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law.

Citizens reserve the right to supplement any of its responses if Citizens cannot locate the answers immediately due to their magnitude and the work required to aggregate them, or if Citizens later discover additional responsive information in the course of this proceeding. By making these general objections at this time, Citizens do not waive or relinquish its right to assert additional general and specific objections to FPL's discovery.

By making these responses herein, Citizens do not concede that any request is relevant to this action or is reasonably calculated to lead to the discovery of admissible evidence. Citizens expressly reserve the right to object to further discovery into the subject matter of any of these requests, to the introduction of evidence of any response or portion thereof, and to supplement its responses should further investigation disclose responsive information.

Citizens object to providing information to the extent that such information is already in the public record before the Florida Public Service Commission and available to FPL through normal procedures.

In responding to these Requests, Citizens do not waive the foregoing objections, or the specific objections that are set forth in the responses to particular requests.

ADDITIONAL SPECIFIC OBJECTIONS

In addition to the general objections which apply to every interrogatory, Citizens provide the following objections to specific interrogatories:

4. Regarding Witness Lawton's list of appearances, please (i) identify who Lawton's client was for each appearance, (ii) specify in which of those dockets witness Lawton also appeared as counsel.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

5. Regarding Witness Lawton's list of appearances, please identify the dockets in which he testified about either of the two issues he is addressing in this case; describe the issue he addressed, and state whether or to what extent his recommendation was adopted by the regulatory authority.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

6. Regarding Witness Lawton, please state whether he has ever acknowledged the risk of the utility in question having its debt downgraded based on his or any other recommendation in that proceeding. As part of your answer, identify the proceeding(s), the recommendations(s) he acknowledged could result in a downgrade if adopted, and whether the regulator adopted the recommendations(s).

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

- 7. Regarding Witness Lawton, state whether he has ever been engaged by any entity to produce or conduct a credit rating analysis or an assessment of a company's credit metrics for purposes of or in connection with any financing or commercial transaction or investment of any nature.
 - a. As part of your answer, describe the nature of any such engagement, including who engaged him, for what purpose or transaction, the company whose metrics or credit standing he assessed, the scope of the analysis, and his conclusion.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

8. Regarding Witness O'Donnell, list all instances by docket number and date in which he has testified on capital structure, and identify the client he represented, what his recommendations were and whether those recommendations were accepted.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

9. Regarding Witness O'Donnell, list and describe in detail any and all professional experience, employment or engagements in which he has either had management responsibility for and/or advised management of an investor owned company on an appropriate capital structure.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

10. Regarding Witness O'Donnell, list and describe in detail any and all professional experience, employment or engagements in which he has advised actual or potential investors (whether equity or debt) in an investor owned company on an appropriate capital structure.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

11. Regarding Witness O'Donnell, list and describe in detail any and all professional experience, employment or engagements in which he has advised any debt rating agency on an appropriate capital structure for an investor owned company.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

12. Regarding Witness O'Donnell, please list all academic qualifications with specificity, including coursework and licenses, that qualify him as an expert on capital structure of investor owned companies including (i) investor owned public utility and (ii) non-public utilities.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

13. Regarding Witness Vondle: Please list the jurisdiction in which the alternative to the Massachusetts Formula described on page 19 of Witness Vondle's testimony has been used as a general allocator.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

14. Regarding Witness Vondle (testimony page 20): Please explain in detail how an affiliate would comply with all applicable federal financial accounting rules and yet overcharge FPL for services that is provides.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

15. Regarding Witness Vondle (testimony page 30): State whether any states other than

Texas and Maine require the use of commission-approved service agreements.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

16. Regarding Witness Vondle (testimony page 31): What is the market value to an affiliate of using FPL's name? As part of your answer, state how you calculated the market value.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

17. Regarding Witness Vondle (testimony pages 34-35): State how the 20% increase in charges to affiliates and 20% reduction to charges from affiliates was derived.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

18. State whether Witness Vondle has ever proposed an across-the-board percentage increase to a utility's charges to affiliates before and, if so where? As part of your answer, state whether the proposal was accepted.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

19. State whether Witness Vondle has ever proposed an across-the-board percentage decrease to a utility's charges from affiliates before and, if so where? As part of your answer, sate whether the proposal was accepted.

RESPONSE: Citizens have no specific objection at this time. However, Citizens reserve the right to assert any additional objections based on confidentiality and/or privilege that come to Citizens' attention during the preparation of the discovery.

Patricia A. Christensen Associate Public Counsel

Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street Room 812 Tallahassee, FL 32399-1400

(850) 488-9330 Attorney for Florida's Citizens

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was furnished by e-mail and

U.S. Mail this 18th day of July, 2012 to:

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