

RECEIVED-FPSC

John T. Butler **Managing Attorney** Florida Power & Light Company JAN -7 PM 12: 28 700 Universe Boulevard Juno Beach, FL 33408-0420 (561) 304-5639 COMMISSION (561) 691-7135 (Facsimile) CLERK John.Butler@fpl.com

January 6, 2010

VIA OVERNIGHT DELIVERY

Ms. Ann Cole, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

> Docket No. 110001-EI Re:

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. 2, dated December 17, 2010.

If there are any questions regarding this transmittal, please contact me at 561-304-5639.

Sincerely,

John T. Butler

Enclosures

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

COM **APA** ECR GCL RAD SSC **ADM OPC** CLK

DOOUMERT RESERVED ATE

00177 JAN-7=

Florida Power & Light Company Docket No. 110001-EI Staff's Data Request No. 2 Question No. 1 Page 1 of 1

Q. Please fill in the tables below for the Company's hedging results (realized gains / losses)* in dollars for the years 2003 through 2010 for Natural Gas, No. 6 Oil, and No. 2 Oil.

A.	Natural Gas, No. 6 Oil, and No. 2 Oil *** Realized Savings / Costs of Hedges			
Year	Financial Hedges	Physical Hedges	Total	
2003	\$4,544,143	\$2,649,906	\$7,194,049	
2004	\$210,443,530	\$37,614,038	\$248,057,568	
2005	\$595,122,471	\$26,515,466	\$621,637,937	
2006	(\$462,844,303)	(\$5,794,034)	(\$468,638,337)	
2007	(\$855,797,821)	\$0	(\$855,797,821)	
2008	\$368,264,441	\$0	\$368,264,441	
2009	(\$1,723,597,065)	\$0	(\$1,723,597,065)	
2010**	(\$500,206,889)	\$0	(\$500,206,889)	

^{*}Realized gains (and losses) can also be stated as Realized savings (and costs).

^{**2010} values represent preliminary estimates.

^{***} As shown in the tables, beginning in 2007, FPL began to utilize all financial instruments to hedge a portion of its fuel requirements. For natural gas, FPL enters into financial swaps with various counterparts in the Over-the-Counter (OTC) market. The realized savings/costs associated with these hedges are calculated by multiplying the volume of each hedge times the difference between the swap price (the fixed price at which FPL locks in the hedge) and the settlement price of the applicable index. Although these swaps are executed in the OTC market, NYMEX pricing is used for settlement purposes.

Florida Power & Light Company Docket No. 110001-EI Staff's Data Request No. 2 Question No. 2 Page 1 of 1

Q. Please fill in the tables below for the Company's hedging results (realized gains / losses)* in dollars for the years 2003 through 2010 for Natural Gas.

A.

	Natural Gas *** Realized Savings / Costs of Hedges		
Year	Financial Hedges	Physical Hedges	Total
2003	(\$8,799,558)	(\$10,553,427)	(\$19,352,985)
2004	\$153,950,498	\$37,614,038	\$191,564,536
2005	\$492,873,322	\$26,515,466	\$519,388,788
2006	(\$410,843,163)	(\$5,794,034)	(\$416,637,197)
2007	(\$799,268,428)	\$0	(\$799,268,428)
2008	\$100,709,736	\$0	\$100,709,736
2009	(\$1,660,695,829)	\$0	(\$1,660,695,829)
2010**	(\$509,124,047)	\$0	(\$509,124,047)

^{*}Realized gains (and losses) can also be stated as Realized savings (and costs).

^{**2010} values represent preliminary estimates.

^{***} As shown in the tables, beginning in 2007, FPL began to utilize all financial instruments to hedge a portion of its fuel requirements. For natural gas, FPL enters into financial swaps with various counterparts in the Over-the-Counter (OTC) market. The realized savings/costs associated with these hedges are calculated by multiplying the volume of each hedge times the difference between the swap price (the fixed price at which FPL locks in the hedge) and the settlement price of the applicable index. Although these swaps are executed in the OTC market, NYMEX pricing is used for settlement purposes.

CERTIFICATE OF SERVICE Docket No. 100001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on January 6, 2011, to the following:

Erik Sayler, Esq. Katherine Fleming, Esq. Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Blvd Tallahassee, Florida 32399-0850 esayler@PSC.STATE.FL.US KEFLEMIN@PSC.STATE.FL.US	J. R. Kelly, Esq. Patricia Christensen, Esq. Charles Beck, Esq. Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, Florida 32399 Kelly.jr@leg.state.fl.us Christensen.patty@leg.state.fl.us beck.charles@leg.state.fl.us
James D. Beasley, Esq J. Jeffrey Wahlen, Esq. Ausley & McMullen Attorneys for Tampa Electric P.O. Box 391 Tallahassee, Florida 32302 jbeasley@ausley.com jwahlen@ausley.com	John T. Burnett, Esq. Progress Energy Service Company, LLC P.O. Box 14042 St. Petersburg, Florida 33733-4042 john.burnett@pgnmail.com
John W. McWhirter, Jr., Esq McWhirter & Davidson, P.A. Attorneys for FIPUG P.O. Box 3350 Tampa, Florida 33602 jmcwhirter@mac-law.com	Beth Keating, Esq. Gunster Firm Attorneys for FPUC 215 So. Monroe St., Suite 618 Tallahassee, Florida 32301-1804 bkeating@gunster.com
Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Beggs & Lane Attorneys for Gulf Power 501 Commendencia Street Pensacola, FL 32502 jas@beggslane.com rab@beggslane.com	James W. Brew, Esq Attorney for White Springs Brickfield, Burchette, Ritts & Stone, The P.C 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, DC 2007-5201 jbrew@bbrslaw.com

Robert Scheffel Wright, Esq Jay T. LaVia, III, Esq Young van Assenderp, P.A Attorneys for Florida Retail Federation and City of Marianna 225 South Adams Street, Suite 200 Tallahassee, FL 32301 swright@yvlaw.net jlavia@yvlaw.net	Jon C. Moyle, Esq. and Vicki Kaufman, Esq. Keefe, Anchors Gordon & Moyle, P.A. 118 N. Gadsden St. Tallahassee, FL 32301 Co-Counsel for FIPUG vkaufman@kagmlaw.com jmoyle@kagmlaw.com
Cecilia Bradley, Esq. Senior Assistant Attorney General Office of the Attorney General The Capitol - PL01 Tallahassee, FL 32399-1050 cecilia.bradley@myfloridalegal.com	Michael Barrett Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Blvd Tallahassee, Florida 32399-0850 MBARRETT@PSC.STATE.FL.US
Karen S. White, Civ USAF Allan Jungels, Capt, USAF Utility Litigation & Negotiation Team Staff Attorney AFLOA/JACL-ULT/FLOA/JACL-ULT 139 Barnes Drive, Suite 1 Tyndall AFB, FL 32403-5317 Attorneys for the Federal Executive Agencies Karen. White@tyndall.af.mil Allan.Jungels@tyndall.af.mil	Patrick K. Wiggins, Esq. Attorneys for AFFIRM P.O. Drawer 1657 Tallahassee, FL 32302 wigglaw@gmail.com

By: <u>/s/ John T. Butler</u>

John T. Butler Fla. Bar No. 283479