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Matthew M. Childs, P.A.

July 22, 1997

Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
4075 Esplanade Way, Room 110
Tallahassee, FL 32399-0850

RE: DOCKET NO. 970001-EI

Dear Ms. Bayó:

Enclosed for filing please find the original and ten (10) copies of Florida Power & Light Company's Issues and Positions in the above referenced docket.

Also enclosed is a formatted double sided high density 3.5 inch diskette containing the Issues and Positions for Florida Power & Light Company.

Very truly yours,


Matthew M. Childs, P.A.

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AFA Handwritten
APP _____
CAF _____
CMU _____
CTR _____ MMC/ml
EAG Handwritten All Parties of Record
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FPSC-RECORDS & REPORTING

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Investigation Of Fuel)
Cost Recovery Clauses Of)
Electric Companies)

DOCKET NO. 970001-EI
FILED: JULY 22, 1997

FLORIDA POWER & LIGHT COMPANY'S
LIST OF ISSUES AND POSITIONS

FUEL ADJUSTMENT ISSUES

1. What is the final fuel true-up amount for the period October 1, 1996 through March 31, 1997?

FPL: \$13,141,163 overrecovery.

2. What is the estimated/actual fuel true-up amount for the period April 1, 1997 through September 30, 1997 based upon two months actual and four months revised estimates?

FPL: \$14,618,648 overrecovery.

3. What is the total fuel true-up to be collected during the period October 1, 1997 through March 31, 1998?

FPL: \$27,759,811 overrecovery.

4. What should be the effective date of the new factors for fuel adjustment and capacity cost recovery?

FPL: The Company is requesting that the new Fuel Cost Recovery Factors should become effective with customer billing on cycle day 3 of October 1997 and continue through customer billings on cycle day 2 of March 1998. This will provide 6 months of billing on the Fuel Cost Recovery Factors for all customers. The new Capacity Cost Recovery Factors should become effective with customer billings on cycle day 3 of October 1997 and continue through customer billings on cycle day 2 of September 1998. This will provide 12 months of billing on the Capacity Clause Factors for all customers.

5. What is the appropriate levelized fuel adjustment factor for the period October 1, 1997 through March 31, 1998?

FPL: 1.643 cents/kwh is the levelized recovery charge.

DOCUMENT NUMBER-DATE
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6. What are the appropriate Fuel Cost Recovery Factors for each rate group?

FPL:

GROUP	RATE SCHEDULE	AVERAGE FACTOR	FUEL RECOVERY LOSS MULTIPLIER	FUEL RECOVERY FACTOR
A	RS-1,GS-1,SL-2	1.643	1.00213	1.646
A-1	SL-1,OL-1	1.627	1.00213	1.630
B	GSD-1	1.643	1.00212	1.646
C	GSLD-1 & CS-1	1.643	1.00179	1.646
D	GSLD-2,CS-2, OS-2 & MET	1.643	0.99591	1.636
E	GSLD-3 & CS-3	1.643	0.95658	1.571
A	RST-1,GST-1 ON-PEAK OFF-PEAK	1.734 1.607	1.00213 1.00213	1.737 1.610
B	GSDT-1 ON-PEAK CILC-1 (G) OFF-PEAK	1.734 1.607	1.00212 1.00212	1.737 1.610
C	GSLDT-1 & ON-PEAK CST-1 OFF-PEAK	1.734 1.607	1.00179 1.00179	1.737 1.610
D	GSLDT-2 & ON-PEAK CST-2 OFF-PEAK	1.734 1.607	0.99591 0.99591	1.726 1.600
E	GSLDT-3,CST-3 ON-PEAK CILC-1 (T)&ISST-1 (T) OFF-PEAK	1.734 1.607	0.95658 0.95658	1.658 1.537
F	CILC-1 (D)& ON-PEAK ISST-1 (D) OFF-PEAK	1.734 1.607	0.99785 0.99785	1.730 1.603

7. How should transmission costs be accounted for when determining the transaction price of an economy, Schedule C, broker transaction between two directly interconnected utilities?

FPL: The costs of transmission should be included for Schedule C Broker Sales. Transmission costs should be accounted for by adjusting the buyer's costs just like it is done for transactions between non-directly interconnected utilities.

8. If the cost of transmission is used to determine the transaction price of an economy Schedule C, broker transaction between two directly interconnected utilities, how should the cost of this transaction be recovered?

FPL: FPL is proposing to flow through the fuel clause revenues received for transmission services when making Schedule C sales.

9. How should transmission costs be accounted for when determining the transaction price of an economy, Schedule C, broker transaction that requires wheeling between two non-directly interconnected utilities?

FPL: FPL is proposing no change in the manner in which transmission costs are accounted for by the Broker for transactions between two non-directly interconnected utilities. In these transactions, the Broker adjusts the buyer's quote to recognize the transmission cost.

10. If the cost of transmission is used to determine the transaction price of an economy, Schedule C, broker transaction between two non-directly interconnected utilities how should the cost of this transaction be recovered?

FPL: FPL is proposing no change in the current regulatory treatment of these costs. Transmission costs paid to intervening utilities are part of the total cost of Schedule C transactions and should continue to be recovered through the Fuel Clause.

CAPACITY COST RECOVERY ISSUES

1. What is the estimated/actual capacity true-up amount for the period January 1, 1997 through September 30, 1997, based upon five months actual costs and four months revised estimates.

Actual costs for the period October 1, 1996 through December 31, 1996 were included in the capacity cost recovery midcourse correction approved by the Commission in Order No. PSC-97-0359-FOF-EI issued on March 31, 1997.

FPL: \$10,479,736 overrecovery.

2. What are the appropriate Capacity Cost Recovery Factors for each rate group?

FPL:

RATE CLASS	CAPACITY RECOVERY FACTOR (\$/KW)	CAPACITY RECOVERY FACTOR (\$/KWH)
RS1	-	0.00674
GS1	-	0.00587
GSD1	2.15	-
OS2	-	0.00349
GSLD1/CS1	2.20	-
GSLD2/CS2	2.21	-
GSLD3/CS3	2.15	-
CILCD/CILCG	2.25	-
CILCT	2.11	-
MET	2.36	-
OL1/SL1	-	0.00108
SL2	-	0.00411

RATE CLASS	CAPACITY RECOVERY FACTOR (RESERVATION DEMAND CHARGE) (\$/KW)	CAPACITY RECOVERY FACTOR (SUM OF DAILY DEMAND CHARGE) (\$/KW)
ISST1D	.29	.14
SST1T	.27	.13
SST1D	.29	.14

3. Should FPL be authorized to recover the costs associated with future capacity payments to be made to Jacksonville Electric Authority (JEA)?

FPL: Yes. FPL is requesting that it be authorized to collect \$4.7 million per year associated with future capacity payments to JEA. There is a mismatch between the period over which FPL currently anticipates it will continue to receive energy from JEA's ownership share of SJRPP, and the period over which FPL is contractually required to

make annual capacity payments to JEA. The total quantity of energy FPL can take from JEA's ownership share of SJRPP is limited and FPL is currently taking as much SJRPP energy as possible. Thereafter FPL will, consistent with the Contract, continue making capacity payments through the year 2020, but would receive no energy from JEA's share of SJRPP. FPL is requesting that \$4.7 million annually associated with the SJRPP energy suspension be recovered through the capacity cost recovery clause beginning in 1998. FPL is requesting to collect this annual amount from 1998 through 2014 so that in the years 2015 through 2020, when FPL will receive no energy from JEA's ownership share of SJRPP, FPL's customers would not pay capacity charges. For these reasons, FPL believes it is appropriate to bring this issue forward for Commission consideration and approval.

GPIF ISSUES

1. What should the GPIF Rewards/Penalties be for the period of April 1, 1996 through September 30, 1996.

FPL: \$5,801,940 reward.

2. What should the GPIF Target/Ranges be for the period of October 1, 1997 through September 30, 1998?

FPL:

PLANT/UNIT	EAF TARGET(%)	HEAT RATE HR. TARGET (BTU/Kwh)
CAPE CANAVERAL 1	93.6	9378
CANAVERAL 2	89.3	9437
LAUDERDALE 4	88.7	7212
LAUDERDALE 5	93.5	7263
FORT MYERS 2	93.7	9294
MARTIN 3	95.2	7003
MARTIN 4	93.0	7016
PORT EVERGLADES 3	80.8	9741
RIVIERA 3	76.5	9518
RIVIERA 4	92.5	9764
SANFORD 5	94.3	9947
TURKEY POINT 3	92.8	10971
TURKEY POINT 4	89.1	11044
ST. LUCIE 1	72.7	10913
ST. LUCIE 2	93.6	10940
SCHERER 4	87.6	9994

GPIF SYSTEM WEIGHTED AVERAGE NET OPERATING HR 9277

WITNESSES AND SUBJECT MATTER

WITNESS	SPONSOR	SUBJECT MATTER	EXHIBIT TITLES
K.M. DUBIN	FPL	Fuel Cost Recovery, Final True-Up October 1996 through March 1997	Appendix I
R. SILVA	FPL	Fuel Cost Recovery	Appendix I
R. SILVA	FPL	Forecast Assumptions GPIF (True-Up) April 1996 through September 1996	Document 1
R. SILVA K.M. DUBIN R.L. WADE	FPL FPL FPL	Levelized Fuel Cost Recovery Factors for October 1997 through March 1998	Appendix II
R. SILVA K.M. DUBIN	FPL FPL	Capacity Cost Recovery Factors for October 1997 through March 1998	Appendix III
R. SILVA	FPL	GPIF (Projections) October 1997 through September 1998	Document 1
M. VILLAR	FPL	Transmission Costs	MV1 and MV2

Respectfully submitted,

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Attorneys for Florida Power
& Light Company

BY: 
Matthew M. Childs, P.A.

**CERTIFICATE OF SERVICE
DOCKET NO. 970001-EI**

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's List of Issues and Positions has been furnished by Hand Delivery,** or U.S. Mail this 22nd day of July, 1997, to the following:

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