

FPSC FORM NO. 423-1 (a)

1. REPORTING MONTH: SEP YEAR: 1997

2. REPORTING COMPANY: FLORIDA POWER LIGHT COMPANY

MONTHLY REPORT OF COST AND QUALITY OF FUEL OIL FOR ELECTRIC PLANTS

DETAIL OF INVOICE AND TRANSPORTATION CHARGES

3. NAME, TITLE TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA SUBMITTED ON THIS FORM: S. J. ADAMS, REGULATORY AFFAIRS, (305) 552-3489

4. SIGNATURE OF OFFICIAL SUBMITTING REPORT: Robert J. ...

5. DATE COMPLETED: 10/17/97

ATTACHMENT A

990001-ET 000001-ET

(A) LINE NO.	(B) PLANT	(C) SUPPLIER	(D) DELIVERY LOCATION	(E) DELIVERY DATE	(F) TYPE OIL	(G) VOLUME (BBLs)	(H) INVOICE PRICE (\$/BBL)	(I) INVOICE AMOUNT (\$)	(J) DISCOUNT (\$)	(K) NET AMOUNT (\$)	(L) NET PRICE (\$/BBL)	(M) QUALITY ADJUST. (\$/BBL)	(N) EFFECTIVE PUR PRICE (\$/BBL)	(O) TRANSP TO TERM (\$/BBL)	(P) ADDITIONAL TRANS CHGS (\$/BBL)	(Q) OTHER CHGS (\$/BBL)	(R) DELIVERED PRICE (\$/BBL)
1	MANATEE	COASTAL	PORT MANATEE	09/12/97	FO6	279584	16.9850	4,748,734	0	4,748,734	16.9850	0.0000	16.9850	0.0000	0.0829	0.1580	17.2259
2	SANFORD	COASTAL	JACKSONVILLE	09/25/97	FO6	262447	16.5660	4,347,697	0	4,347,697	16.5660	0.0000	16.5660	0.0000	1.6222	0.2477	18.4359
3	TURKEY POINT	RIO	FISHER ISLAND	09/27/97	FO6	80969	17.2650	1,397,930	0	1,397,930	17.2650	0.0000	17.2650	0.0000	0.8069	0.2036	18.2755
4	MANATEE	COASTAL	PORT MANATEE	09/05/97	FO6	280414	17.1850	4,818,915	0	4,818,915	17.1850	0.0000	17.1850	0.0000	0.0829	0.1580	17.4259
5	MANATEE	COASTAL	PORT MANATEE	09/29/97	FO6	115526	17.8500	2,062,139	0	2,062,139	17.8500	0.0000	17.8500	0.0000	0.0829	0.1580	18.0909
6	MANATEE	COASTAL	PORT MANATEE	09/30/97	FO6	117881	18.1100	2,134,825	0	2,134,825	18.1100	0.0000	18.1100	0.0000	0.0829	0.1580	18.3509
7	CAPE CANAVERAL	RIO	PORT CANAVERAL	09/08/97	FO6	175845	17.2170	3,027,523	0	3,027,523	17.2170	0.0000	17.2170	0.0000	0.6027	0.1781	17.9978
8	MARTIN	RIO	PALM BEACH	09/03/97	FO6	115304	17.7350	2,044,916	0	2,044,916	17.7350	0.0000	17.7350	0.0000	0.2354	0.1812	18.1516
9	MARTIN	RIO	PALM BEACH	09/06/97	FO6	106867	17.4550	1,865,363	0	1,865,363	17.4550	0.0000	17.4550	0.0000	0.2354	0.1812	17.8716
10	MANATEE	RIO	PORT MANATEE	09/13/97	FO6	117798	16.9100	1,991,964	0	1,991,964	16.9100	0.0000	16.9100	0.0000	0.0829	0.1580	17.1509
11	PT. EVERGLADES	RIO	PORT EVERGLADES	09/08/97	FO6	130882	17.0490	2,231,407	0	2,231,407	17.0490	0.0000	17.0490	0.0000	0.1121	0.1800	17.3411
12	PT. EVERGLADES	RIO	PORT EVERGLADES	09/09/97	FO6	105335	17.3950	1,832,302	0	1,832,302	17.3950	0.0000	17.3950	0.0000	0.1121	0.1800	17.6871
13	PT. EVERGLADES	RIO	PORT EVERGLADES	09/26/97	FO6	49032	17.2650	846,537	0	846,537	17.2650	0.0000	17.2650	0.0000	0.1121	0.1800	17.5571
14	PT. EVERGLADES	RIO	PORT EVERGLADES	09/28/97	FO6	120956	17.3650	2,100,401	0	2,100,401	17.3650	0.0000	17.3650	0.0000	0.1121	0.1800	17.6571
15	SANFORD	RIO	JACKSONVILLE	09/08/97	FO6	144707	17.2170	2,491,420	0	2,491,420	17.2170	0.0000	17.2170	0.0000	1.6222	0.2477	19.0869
16	TURKEY POINT	RIO	FISHER ISLAND	09/17/97	FO6	129794	17.1950	2,231,808	0	2,231,808	17.1950	0.0000	17.1950	0.0000	0.8069	0.2036	18.2055
17	FT. MYERS	TEXACO	BOCA GRANDE	09/06/97	FO6	90875	16.4930	1,498,801	0	1,498,801	16.4930	0.0000	16.4930	0.0000	0.5303	0.0706	17.0939
18	FT. MYERS	TEXACO	BOCA GRANDE	09/12/97	FO6	91612	15.8300	1,450,218	0	1,450,218	15.8300	0.0000	15.8300	0.0000	0.5303	0.0706	16.4309
19	FT. MYERS	TEXACO	BOCA GRANDE	09/20/97	FO6	91555	15.7600	1,442,907	0	1,442,907	15.7600	0.0000	15.7600	0.0000	0.5303	0.0706	16.3609
20	FT. MYERS	TEXACO	BOCA GRANDE	09/29/97	FO6	91921	16.1250	1,482,226	0	1,482,226	16.1250	0.0000	16.1250	0.0000	0.5303	0.0706	16.7259
21	RIVIERA	TEXACO	RIVIERA	09/04/97	FO6	114466	16.7800	1,920,739	0	1,920,739	16.7800	0.0000	16.7800	0.0000	0.0120	0.1811	16.9731
22	RIVIERA	TEXACO	RIVIERA	09/15/97	FO6	116234	15.8700	1,844,634	0	1,844,634	15.8700	0.0000	15.8700	0.0000	0.0120	0.1811	16.0631
23	RIVIERA	TEXACO	RIVIERA	09/26/97	FO6	116982	16.0430	1,876,742	0	1,876,742	16.0430	0.0000	16.0430	0.0000	0.0120	0.1811	16.2361
24	RIVIERA	AMERIGAS		09/04/97	PRO	5	36.3446	182	0	182	36.3446	0.0000	36.3446	0.0000	0.0000	0.0000	36.3446
25	RIVIERA	AMERIGAS		09/19/97	PRO	7	22.3202	156	0	156	22.3202	0.0000	22.3202	0.0000	0.0000	0.0000	22.3202
26	TURKEY POINT	AMERIGAS		09/15/97	PRO	7	37.1682	260	0	260	37.1682	0.0000	37.1682	0.0000	0.0000	0.0000	37.1682
27	PT. EVERGLADES	AMERIGAS		09/04/97	PRO	12	36.5913	439	0	439	36.5913	0.0000	36.5913	0.0000	0.0000	0.0000	36.5913
28	PT. EVERGLADES	AMERIGAS		09/29/97	PRO	13	37.0254	481	0	481	37.0254	0.0000	37.0254	0.0000	0.0000	0.0000	37.0254
29	SANFORD	SUBURBAN		09/17/97	PRO	7	36.1345	253	0	253	36.1345	0.0000	36.1345	0.0000	0.0000	0.0000	36.1345

DOCUMENT NUMBER - DATE 11240 OCT 31 97

**C O P Y
ATTACHMENT B**

MONTHLY REPORT OF COST AND QUALITY OF FUEL OIL FOR ELECTRIC PLANTS
DETAIL OF INVOICE AND TRANSPORTATION CHARGES

FPSC FORM NO. 423-1 (a)

1. REPORTING MONTH: SEP YEAR: 1997

3. NAME, TITLE, TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA
SUBMITTED ON THIS FORM: S. J. ADAMS, REGULATORY AFFAIRS, (305) - 552-3488

2. REPORTING COMPANY: FLORIDA POWER LIGHT COMPANY

4. SIGNATURE OF OFFICIAL SUBMITTING REPORT: *Robert L. Figg*

5. DATE COMPLETED: 10/17/97

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)
LINE NO.	PLANT	SUPPLIER	DELIVERY LOCATION	DELIVERY DATE	TYPE OIL	VOLUME (BBL)	INVOICE PRICE (\$/BBL)	INVOICE AMOUNT (\$)	DISCOUNT (\$)	NET AMOUNT (\$)	NET PRICE (\$/BBL)	QUALITY ADJUST. (\$/BBL)	EFFECTIVE PUR PRICE (\$/BBL)	TRANSP TO TERM (\$/BBL)	ADDITIONAL TRANS CHGS (\$/BBL)	OTHER CHGS (\$/BBL)	DELIVERED PRICE (\$/BBL)
1	MANATEE	COASTAL	PORT MANATEE	09/12/97	FO6	279584							0.0000	0.0000			17.2259
2	SANFORD	COASTAL	JACKSONVILLE	09/25/97	FO6	262447							0.0000	0.0000			18.4359
3	TURKEY POINT	RIO	FISHER ISLAND	09/27/97	FO6	80969							0.0000	0.0000			18.2755
4	MANATEE	COASTAL	PORT MANATEE	09/05/97	FO6	280414							0.0000	0.0000			17.4259
5	MANATEE	COASTAL	PORT MANATEE	09/29/97	FO6	115526							0.0000	0.0000			18.0909
6	MANATEE	COASTAL	PORT MANATEE	09/30/97	FO6	117881							0.0000	0.0000			18.3509
7	CAPE CANAVERAL	RIO	PORT CANAVERAL	09/08/97	FO6	175845							0.0000	0.0000			17.9978
8	MARTIN	RIO	PALM BEACH	09/03/97	FO6	115304							0.0000	0.0000			18.1516
9	MARTIN	RIO	PALM BEACH	09/06/97	FO6	106867							0.0000	0.0000			17.8716
10	MANATEE	RIO	PORT MANATEE	09/13/97	FO6	117798							0.0000	0.0000			17.1509
11	PT. EVERGLADES	RIO	PORT EVERGLADES	09/08/97	FO6	130882							0.0000	0.0000			17.3411
12	PT. EVERGLADES	RIO	PORT EVERGLADES	09/09/97	FO6	105335							0.0000	0.0000			17.6871
13	PT. EVERGLADES	RIO	PORT EVERGLADES	09/26/97	FO6	49032							0.0000	0.0000			17.5571
14	PT. EVERGLADES	RIO	PORT EVERGLADES	09/28/97	FO6	120956							0.0000	0.0000			17.6571
15	SANFORD	RIO	JACKSONVILLE	09/08/97	FO6	144707							0.0000	0.0000			19.0869
16	TURKEY POINT	RIO	FISHER ISLAND	09/17/97	FO6	129794							0.0000	0.0000			18.2055
17	FT. MYERS	TEXACO	BOCA GRANDE	09/08/97	FO6	90875							0.0000	0.0000			17.0939
18	FT. MYERS	TEXACO	BOCA GRANDE	09/12/97	FO6	91812							0.0000	0.0000			16.4309
19	FT. MYERS	TEXACO	BOCA GRANDE	09/20/97	FO6	91555							0.0000	0.0000			16.3609
20	FT. MYERS	TEXACO	BOCA GRANDE	09/29/97	FO6	91921							0.0000	0.0000			16.7259
21	RIVIERA	TEXACO	RIVIERA	09/04/97	FO6	114466							0.0000	0.0000			16.9731
22	RIVIERA	TEXACO	RIVIERA	09/15/97	FO6	118234							0.0000	0.0000			16.0631
23	RIVIERA	TEXACO	RIVIERA	09/26/97	FO6	116982							0.0000	0.0000			16.2361
24	RIVIERA	AMERIGAS		09/04/97	PRO	5	36.3446	182	0	182	36.3446	0.0000	36.3446	0.0000	0.0000	0.0000	36.3446
25	RIVIERA	AMERIGAS		09/19/97	PRO	7	22.3202	156	0	156	22.3202	0.0000	22.3202	0.0000	0.0000	0.0000	22.3202
26	TURKEY POINT	AMERIGAS		09/15/97	PRO	7	37.1682	260	0	260	37.1682	0.0000	37.1682	0.0000	0.0000	0.0000	37.1682
27	PT. EVERGLADES	AMERIGAS		09/04/97	PRO	12	36.5913	439	0	439	36.5913	0.0000	36.5913	0.0000	0.0000	0.0000	36.5913
28	PT. EVERGLADES	AMERIGAS		09/29/97	PRO	13	37.0254	481	0	481	37.0254	0.0000	37.0254	0.0000	0.0000	0.0000	37.0254
29	SANFORD	SUBURBAN		09/11/97	PRO	7	36.1345	253	0	253	36.1345	0.0000	36.1345	0.0000	0.0000	0.0000	36.1345

ATTACHMENT C

**Docket No. 970001-EI
October 1997**

Justification for Confidentiality for September 1997 Report:

<u>FORM</u>	<u>LINE(S)</u>	<u>COLUMN</u>	<u>RATIONALE</u>
423-1(a)	1 - 23	H	(1)
423-1(a)	1 - 23	I	(2)
423-1(a)	1 - 23	J	(2), (3)
423-1(a)	1 - 23	K	(2)
423-1(a)	1 - 23	L	(2)
423-1(a)	1 - 23	M	(2), (4)
423-1(a)	1 - 23	N	(2), (5)
423-1(a)	1 - 23	P	(6), (7)
423-1(a)	1 - 23	Q	(6), (7)

Rationale for confidentiality:

- (1) This information is contractual information which, if made public, "would impair the efforts of [FPL] to contract for goods or services on favorable terms." Section 366.093 (3) (d), F.S. (1995). The information delineates the price FPL has paid for No. 6 fuel oil per barrel for specific shipments from specific suppliers. This information would allow suppliers to compare an individual supplier's price with the market quote for that date of delivery and thereby determine the contract pricing formula between FPL and that supplier.

Contract pricing formulas generally contain two components, which are: (i) a markup in the market quoted price for that day and (ii) a transportation charge for delivery at an FPL chosen port of delivery. Discounts and quality adjustment components of fuel price contract formulas are discussed in paragraphs 3 and 4. Disclosure of the invoice price would allow suppliers to determine the contract price formula of their competitors. The knowledge of each others' prices (i.e., contract formulas) among No. 6 fuel oil suppliers is reasonably likely to cause the suppliers to converge on a target price, or to follow a price leader, effectively eliminating any opportunity for a major buyer like FPL to use its market presence to gain price concessions from any one supplier. The end result is reasonably likely to be increased No. 6 fuel oil prices and therefore increased electric rates.

- (2) The contract data found in Columns I through N are an algebraic function of Column H. That is, the publication of these Columns together, or independently, could allow a supplier to derive the invoice price of oil.
- (3) Some FPL fuel contracts provide for an early payment incentive in the form of a discount from the invoice price. The existence and amount of such discount is confidential for the reasons stated in paragraph (1) relative to price concessions.
- (4) For fuel that does not meet contract requirements, FPL may reject the shipment, or accept the shipment and apply a quality adjustment. This is, in effect, a pricing term which is as important as the price itself and is therefore confidential for the reasons stated in paragraph (1) relative to price concessions.
- (5) Column N is as important as H from a confidentiality standpoint because of the relatively few times that there are quality or discount adjustments. That is, Column N will equal Column H most of the time. Consequently, Column N needs to be protected for the same reasons as set forth in paragraph (1).
- (6) Column R is used to mask the delivered price of fuel such that the invoice or effective price of fuel cannot be determined. Columns P and Q are algebraic variables of Column R. Consequently, disclosure of Columns P and Q would allow a supplier to calculate the invoice or effective purchase price of oil (Columns H and N) by subtracting these columnar variables from Column R.
- (7) Terminaling and transportation services in Florida tend to have the same, if not more severe, oligopolistic attributes of fuel oil suppliers. In 1987, FPL was only able to find eight qualified parties with an interest in bidding either or both of these services. Of these, four responded with transportation proposals and six with terminaling proposals. Due to the small demand in Florida for both of these services, market entry is difficult.

Petroleum inspection services also have the market characteristics of an oligopoly. Due to the limited number of fuel terminal operations, there are correspondingly few requirements for fuel inspection services. In FPL's last bidding process for petroleum inspection services, only six qualified bidders were found for FPL's bid solicitations. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for petroleum inspection services.

Date of Declassification:

<u>FORM</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>DATE</u>
423-1(a)	1 - 2	H - N	06/30/98
423-1(a)	3	H - N	03/28/98
423-1(a)	4 - 6	H - N	03/28/98
423-1(a)	7 - 16	H - N	03/28/98
423-1(a)	17 - 23	H - N	03/28/98
423-1(a)	1 - 23	Q	03/28/98

Rationale:

FPL requests that the confidential information identified above not be disclosed until the identified date of declassification. The date of declassification is determined by adding six months to the last day of the contract period under which the goods or services identified on Form 423-1(a) or 423-1(b) were purchased.

Disclosure of pricing information during the contract period or prior to the negotiation of a new contract is reasonably likely to impair FPL's ability to negotiate future contracts as described above.

FPL typically renegotiates its No. 6 fuel oil contracts and fuel-related services contracts prior to the end of such contracts. However, on occasion, some contracts are not renegotiated until after the end of the current contract period. In those instances, the contracts are typically renegotiated within six months. Consequently, it is necessary to maintain the confidentiality of the information identified as confidential on FPL's Form 423-1(a) or 423-1(b) for six months after the end of the individual contract period to which the information relates.

With respect to No. 6 fuel oil price information on the Form 423-1(a) or 423-1(b) for oil that was not purchased pursuant to an already existing contract, and the terms of the agreement under which it is purchased are fulfilled upon delivery, FPL requests the price

information identified as confidential be kept confidential for a period of six months after the delivery. A six-month period is the minimum amount of time necessary for confidentiality of these types of purchases to allow FPL to utilize its market presence in gaining price concessions during seasonal fluctuations in the demand for No. 6 fuel oil. Disclosure of this information any sooner than six months after completion of the transaction is reasonably likely to impair FPL's ability to negotiate such purchases.

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of Florida Power & Light Company's "Request for Confidential Classification" regarding certain information reported on the Commission's Form 423-1(a) for September 1997 was forwarded to the Florida Public Service Commission via Federal Express, and copies of the Request and Petition without Attachment A were mailed to the individuals listed below, all on this 30th day of October, 1997.

Bob Elias, Chief
Bureau of Electric & Gas
Division of Legal Services
Florida Public Service Commission
Gerald L. Gunter Building - Third Floor
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Occidental Chemical Corporation
Energy Group
P.O. Box 809050
Dallas, TX 75380-9050

John W. McWhirter, Jr., Esquire
Joseph A. McGlothlin, Esquire
McWhirter, Reeves, McGlothlin,
Davidson, etc.
P.O. Box 3350
Tampa, FL 33601-3350

Jack Shreve, Esquire
Office of Public Counsel
111 W. Madison Street
Room 812
Tallahassee, FL 32399-1400

G. Edison Holland, Esquire
Beggs & Lane
P.O. Box 12950
Pensacola, FL 32576

Lee L. Wills, Esquire
James D. Beasley, Esquire
Ausley, McMullen, McGehee,
Carothers & Proctor
P.O. Box 391
Tallahassee, FL 32302

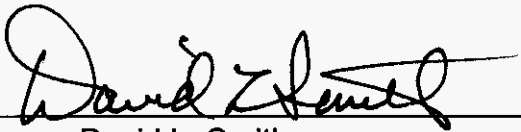
Major Gary A. Enders, USAF
HQ USAF/ULT, STOP 21
Tyndall AFB, FL 32403-6001

Lee G. Schmudde, Esquire
Reedy Creek Utilities, Inc.
P.O. Box 40
Lake Buena Vista, FL 32830

Robert S. Goldman, Esquire
Vickers, Caparello, French & Madsen
P.O. Box Drawer 1876
Tallahassee, FL 32302

James A. McGee, Esquire
P.O. Box 14042
St. Petersburg, FL 33733

Nancy McCann
Office of Environmental Coordinator
306 East Jackson Street, 5th Floor
Tampa, FL 33615



David L. Smith

F:\IND\PL00JGQ\SMITH\SCRIPT97.OCT\10-29-97