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Matthew M Childs P.A.

December 8, 1997

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

RE: DOCKET NO. 970410-EI

Dear Ms. Bayó:

Enclosed please find an original and fifteen (15) copies
of Florida Power & Light Company's Post-Hearing Statement of
Issues and Positions in the above referenced docket.

Very truly yours,


Matthew M. Childs, P.A.

✓ MMC:ml

ACK _____

AFA 4 Enclosure

APP oo+ All Parties of Record

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

12526 DEC-86

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Proposal to Extend Plan for)
 the Recording of Certain Expenses) DOCKET NO. 970410-EI
 for the Years 1998 and 1999 for) FILED: DECEMBER 8, 1997
 Florida Power & Light Company)
 _____)

**FLORIDA POWER & LIGHT COMPANY'S
 POST-HEARING STATEMENT OF ISSUES AND POSITIONS**

Pursuant to Order No. PSC-97-1035-PCO-EI, issued August 28, 1997, establishing the post-hearing procedure in this docket, Florida Power & Light Company ("FPL") hereby submits its Post-hearing Statement of Issues and Positions with regard to the Issues:

ISSUE 1. What is the appropriate revenue forecast to be used to determine the level of additional expenses allocated to this Plan?

FPL's 1996 base rate revenues forecast is an appropriate benchmark which simply quantifies the amount of additional expenses. This benchmark provides a greater degree of earnings risk to FPL and additional incentive to FPL management to control costs; but, the Company believes it is important to correct the cost underrecoveries.

ISSUE 2. Should the Commission defer a decision to allow any additional decommissioning or dismantlement expense until there has been a full examination of FPL's nuclear decommissioning and fossil plant dismantlement studies?

No. There is no benefit in deferring a decision. It is clear that reserve deficiencies exist since nuclear decommissioning alone is calculated to be \$484 million deficient at December 31, 1996. The Commission still will determine the final amount of reserve deficiencies which will be the ultimate basis for amounts recorded.

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ISSUE 3. Should the Commission consider whether FPL has reserve depreciation surplus balances for any of its plant accounts to offset depreciation reserve deficiencies?

No. Reserve surpluses and deficiencies within an account reflect the results of what customers have paid for a particular type of service. Transfers have the potential of creating cross-subsidies between customer classes receiving different types of services.

ISSUE 4. Should FPL be authorized to accelerate the write-off of Unamortized Loss on Reacquired Debt?

Yes. Moreover, FPL's projected interest savings from reacquisitions for the Plan years will exceed its unamortized loss balance at January 1, 1998. It simply makes sense to offset the cost incurred to achieve these savings with the actual benefits as soon as possible.

ISSUE 5. Should FPL be authorized to record, in an unspecified depreciation reserve, an expense amount greater than the amounts to correct any depreciation reserve deficiency, write off the Unamortized Loss on Reacquired Debt, correct any fossil dismantlement reserve deficiency, and correct any nuclear decommissioning reserve deficiency?

Yes. Under this provision, the Commission maintains jurisdiction over any additional expenses recorded by FPL that are not transferred to a specifically identified account. The Commission's PAA Order in this docket requires that any such additional expenses are to be allocated to specific accounts at a later date by the Commission.

ISSUE 6. Should the Plan be extended for 1998 and 1999 as set forth in Order No. PSC-97-0499-FOF-EI?

Yes. See FPL's Statement of Basic Position and its positions as set forth in Issues 1 through 5 above.

ISSUE 7. Should this docket should be closed?

Yes.

WHEREFORE, FPL submits this its Post-Hearing Statement of

Issues and Positions on the issues in this docket.

DATED this 8th day of December, 1997.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP
Suite 601
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Attorneys for Florida Power
& Light Company

By:


Matthew M. Childs, P.A.

**CERTIFICATE OF SERVICE
DOCKET NO. 970410-EI**

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Post-Hearing Statement of Issues and Positions has been furnished by Hand Delivery (*), U.S. Mail and Courier (**), and U.S. Mail (***) this 8th day of December, 1997, to the following:

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