

STEEL ■  
HECTOR  
& DAVIS  
INTERNATIONAL™

Steel Hector & Davis LLP  
200 South Biscayne Boulevard  
Suite 4000  
Miami, FL 33131-2398  
305.577.7000  
305.577.7001 Fax  
www.steelhector.com

John T. Butler  
305.577.2939  
jbutler@steelhector.com

March 31, 2003

**-VIA FEDERAL EXPRESS-**

Blanca S. Bayó  
Director, Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

**Re: Docket No. 030001-EI**

Dear Ms. Bayó:

I am enclosing for filing in the above docket the original and seven (7) copies of Florida Power & Light Company's ("FPL's") Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery True-Ups and GPIF Results for the Period Ending December 2002, and FPL's Notice of Intent to Seek Confidential Classification (Fuel Hedging Information), together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows 2000, and the word processing software in which the documents appear is Word 2000.

Also enclosed for filing are the original and fifteen (15) copies of the prefiled testimony and documents of FPL witnesses K. M. Dubin, F. Irizarry and G. Yupp. Ms. Dubin's and Mr. Irizarry's testimonies support the true-up amounts and GPIF results set forth in the enclosed petition. Mr. Yupp's testimony provides and supports the information on fuel hedging activities that is required by Item 5 of the Resolution of Issues approved by the Commission in Order No. PSC-02-1484-FOF-EI,, Docket No. 011605-EI. Please note that Document GJY-1 to Mr. Yupp's testimony contains proprietary confidential information, which has been redacted from the copies of the document that are attached to his testimony. A copy of Document GJY-1 with the confidential information highlighted is included with the original of the enclosed Notice of Intent to Seek Confidential Classification (Fuel Hedging Information).

DOCUMENT RECEIVED DATE

03017 APR-18

FPSC-COMMISSION CLERK

Blanca S. Bayó  
March 28, 2003  
Page 2

If there are any questions regarding this transmittal, please contact me at 305-577-2939.

Sincerely,



John T. Butler

Enclosures

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

MIA2001 200333v1

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

IN RE: Fuel and Purchase Power	)	Docket No. 030001-EI
Cost Recovery Clause and Generating	)	
Performance Incentive Factor	)	Dated: March 31, 2003

**PETITION FOR APPROVAL OF FUEL COST RECOVERY AND  
CAPACITY COST RECOVERY TRUE-UPS AND GPIF RESULTS  
FOR THE PERIOD ENDING DECEMBER 2002**

Florida Power & Light Company (“FPL”) hereby Petitions this Commission for approval of FPL’s final Fuel and Purchased Power Cost Recovery (“FCR”) true-up amount of \$72,467,176 under-recovery (this amount has already been reflected in the midcourse FCR correction effective April 2, 2003), and final Capacity Cost Recovery (“CCR”) true-up amount of \$12,676,723 over-recovery for the period ending December 2002. FPL also petitions for a Generating Performance Incentive Factor (“GPIF”) reward of \$7,449,429 for the period ending December 2002. In support of this Petition, FPL states as follows:

1. The final \$72,467,176 FCR under-recovery for the period January 2002 through December 2002 was calculated in accordance with the methodology set forth in Schedule 1, page 2 of 2, attached to Order 10093 dated June 19, 1981. This calculation and the supporting documentation are contained in the prepared testimony of FPL witness K.M. Dubin, which is being filed together with the Petition and incorporated herein.

2. By Order No. PSC-02-1761-FOF-EI, dated December 13, 2002, the Commission approved a levelized FCR Factor of 2.727 cents/kWh for the period commencing January 2003. This FCR Factor was based upon an “estimated/actual” under-recovery including interest for the period January 2002 through December 2002 of \$7,047,788, which was also approved in Order No. PSC-02-1761-FOF-EI. The actual under-recovery including interest for the period January

2002 through December 2002 is \$79,514,964. The \$79,514,964 actual under-recovery less the estimated/actual under-recovery of \$7,047,788 results in the final under-recovery of \$72,467,176. This final under-recovery of \$72,467,176 has already been reflected in the midcourse correction that was approved by the Commission in Order No. PSC-03-0381-PCO-EI, dated March 19, 2003, which will become effective on April 2, 2003.

3. The final \$12,676,723 CCR over-recovery for the period January 2002 through December 2002 was calculated in accordance with the methodology set forth in Order No. 25773, dated February 24, 1992. This calculation and the supporting documentation are contained in the prepared testimony of FPL witness K.M. Dubin, which is being filed together with the Petition and incorporated herein.

4. By Order No. PSC-02-1761-FOF-EI, the Commission approved CCR Factors for the period commencing January 2003. These factors were based upon an estimated/actual over-recovery, including interest, for the period January 2002 through December 2002 of \$43,743,474, which was also approved in Order No. PSC-02-1761-FOF-EI. The actual over-recovery, including interest, for the period January 2002 through December 2002 is \$56,420,197. The \$56,420,197 actual over-recovery, less the estimated/actual over-recovery of \$43,743,474 which is currently reflected in charges for the period beginning January 2003, results in a final over-recovery of \$12,676,723. The final over-recovery of \$12,676,723 is to be included in the calculation of the CCR Factors for the period beginning January 2004.

5. By Order No. PSC-01-2516-FOF-EI, dated December 26, 2001, the Commission approved GPIF Targets for FPL for the period January 2002 through December 2002. The application of the GPIF formula to FPL's performance during that period produces a reward of

\$7,449,429. Matters relating to the GPIF are contained in the prepared testimony of FPL witness F. Irizarry which is being filed with and incorporated in this Petition.

WHEREFORE, Florida Power & Light Company respectfully requests the Commission to approve a net \$72,467,176 FCR under-recovery as the true-up amount for the period ending December 2002 (this amount has already been reflected in the midcourse FCR correction effective April 2, 2003), approve the net \$12,676,723 CCR over-recovery as the true-up amount for the period ending December 2002 and include this amount in the calculation of the CCR Factors for the period beginning January 2004, and approve \$7,449,429 as FPL's GPIF reward and include this amount in the calculation of the FCR Factor for the period beginning January 2004.

Respectfully submitted,

R. Wade Litchfield, Esq.  
Senior Attorney  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, Florida 33408-0420  
Telephone: 561-691-7101

Steel Hector & Davis LLP  
Attorneys for Florida Power & Light  
Company  
200 South Biscayne Boulevard  
Suite 4000  
Miami, Florida 33131-2398  
Telephone: 305-577-2939

By: Karel M. Dubois for JTB  
John T. Butler  
Fla. Bar No. 283479

**CERTIFICATE OF SERVICE**  
**Docket Nos. 030001-EI**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing Florida Power & Light Company Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery True-Ups and GPIF Results for the Period Ending December 2002 has been furnished by Federal Express (\*) or United States Mail on this 31<sup>st</sup> day of March, 2003, to the following:

Wm. Cochran Keating, IV, Esq.(\*)  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Robert Vandiver, Esq.  
Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, Florida 32399

Lee L. Willis, Esq.  
James D. Beasley, Esq.  
Ausley & McMullen  
Attorneys for Tampa Electric  
P.O. Box 391  
Tallahassee, Florida 32302

James A. McGee, Esq.  
Florida Power Corporation  
P.O. Box 14042  
St. Petersburg, Florida 33733

Joseph A. McGlothlin, Esq.  
Vicki Gordon Kaufman, Esq.  
McWhirter, Reeves, McGlothlin,  
Davidson, et al.  
Attorneys for FIPUG  
117 South Gadsden Street  
Tallahassee, Florida 32301

Norman H. Horton, Esq.  
Floyd R. Self, Esq.  
Messer, Caparello & Self  
Attorneys for FPUC  
215 South Monroe Street, Suite 701  
Tallahassee, Florida 32302-0551

John W. McWhirter, Jr., Esq.  
McWhirter, Reeves, McGlothlin,  
Davidson, et al.  
Attorneys for FIPUG  
P.O. Box 3350  
Tampa, Florida 33602

Jeffrey A. Stone, Esq.  
Russell A. Badders, Esq.  
Beggs & Lane  
Attorneys for Gulf Power  
P.O. Box 12950  
Pensacola, Florida 32576-2950

By: *Korel M. Dubzi for JTB*  
John T. Butler