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September 5, 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

> Docket No. 030007-EI Re:

Dear Ms. Bayó:

I am enclosing for filing in the above docket the original and seven (7) copies of Florida Power & Light Company's Petition for Approval of Environmental Cost Recovery Factors for period January 2004 through December 2004, 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 document appears is Word 2000 (Attachment I is provided in pdf format).

Also enclosed for filing are the original and fifteen (15) copies of the prefiled testimony and exhibits of Florida Power & Light Company witnesses K. M. Dubin and R.R. LaBauve.

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

Sincerely,

John T. Butler

Enclosure

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

MIA2001 234294v1

DOCUMENT NUMBER-DATE

Rio de Janeiro Santo Domingo São Paulo

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost) DOCKET No. 030007-EI

Recovery Clause) Filed: September 8, 2003

PETITION FOR APPROVAL OF ENVIRONMENTAL COST RECOVERY FACTORS FOR PERIOD JANUARY 2004 THROUGH DECEMBER 2004

Florida Power & Light Company ("FPL") pursuant to Order No. FSC-93-1580-FOF-EI, and Order No. PSC-98-0691-FOF-PU approving a change to a calendar year basis for Environmental Cost Recovery Factors effective January 1999, hereby petitions this Commission to approve the Environmental Cost Recovery Factors submitted as Attachment I to this Petition for the January 2004 through December 2004 billing period. All charges are to become effective starting with meter readings scheduled to be read on or after Cycle Day 3 through Cycle Day 2, and will remain in effect until modified by subsequent order of this Commission. In support of this Petition, FPL incorporates the prepared written testimony of and documents sponsored by Ms. K.M. Dubin and Mr. R.R. LaBauve and states:

- 1. Florida Statutes Section 336.8255, which became effective on April 13, 1993, authorizes the Commission to review and approve the recovery of prudently incurred Environmental Compliance Costs.
- 2. FPL hereby submits the Environmental Cost Recovery Factors developed and proposed by FPL for the period January 2004 through December 2004 as set forth in the testimony and Exhibits of Ms. K.M. Dubin, and in Attachment I to this Petition. FPL is requesting recovery of total projected jurisdictional environmental costs, adjusted for revenue

taxes, in the amount of \$12,945,763, including \$13,798,551 of environmental project costs decreased by the estimated/actual over-recovery of \$850,933 for the period January 2003 through December 2003 as filed on August 8, 2003, and the final over-recovery of 205,349 for the period April 15, 2002 through December 31, 2002 as filed on April 1, 2003.

- 3. Mr. R.R. LaBauve's prepared testimony and exhibits present three new environmental compliance activities for recovery through the Environmental Cost Recovery Clause: the Underground Storage Tank Replacement/Removal Project, the Lowest Quality Water Source Project, and the Port Everglades Electrostatic Precipitator Technology Project. For each project, Mr. LaBauve's testimony includes a description of the project, the costs associated with the project, and a demonstration of the appropriateness of the project. This information shows that all three projects meet the requirements for recovery set forth in Section 366.8255, Florida Statutes and that the costs associated with the projects are prudent.
- 4. The calculations of environmental costs for the period January 2004 through December 2004, are contained in Commission schedules 42-1P through 42-7P which are attached as Appendix I to the prepared written testimony of FPL witness K.M. Dubin filed in Docket No. 030007-EI and incorporated herein by reference.

WHEREFORE, FPL respectfully requests the Commission to approve the Environmental Cost Recovery Factors requested herein for the January 2004 through December 2004 billing period, effective starting with meter readings scheduled to be read on or after Cycle Day 3 through Cycle

Day 2, and to continue these charges in effect until modified by subsequent order of this Commission.

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 200 South Biscayne Boulevard Suite 4000 Miami, Florida 33131-2398 Telephone: (305) 577-2939 Attorneys for Florida Power & Light Company

By: Koul M. Dukin jur JTB

John T. Butler

Florida Bar No. 283479

CERTIFICATE OF SERVICE Docket No. 030007-EI

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Petition for Approval of Environmental Cost Recovery Factors for period January 2004 through December 2004, along with Testimony and Exhibits of K.M. Dubin and R.R. LaBauve, have been furnished by Federal Express (*), or U.S. mail this 5th day of September, 2003 to the following:

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Mr. John T. English Florida Public Utilities Company P. O. Box 3395 West Palm Beach, FL 33402-3395

By: Korel M. Tulai for 1/18

John T. Butler

Florida Power & Light Company Environmental Cost Recovery Clause Calculation of Environmental Cost Recovery Clause Factors January 2004 to December 2004

Rate Class	(1) Percentage of KWH Sales at Generation (%)	(2) Percentage of 12 CP Demand at Generation (%)	(3) Percentage of GCP Demand at Generation (%)	(4) Energy Related Cost (<u>\$)</u>	(5) CP Demand Related Cost (<u>\$)</u>	(6) GCP Demand Related Cost <u>(\$)</u>	(7) Total Environmental Costs <u>(\$)</u>	(8) Projected Sales at Meter (KWH)	(9) Environmental Cost Recovery Factor (<u>\$</u> /KWH)
RS1	53.28639%	58.10925%	58.02557%	\$3,763,502	\$2,944,754	\$473,119	\$7,181,375	53,694,499,279	0.00013
GS1	6.03961%	6.45151%	6.74915%	\$426,565	\$326,938	\$55,030	\$808,533	6,085,869,172	0.00013
GSD1	22 61003%	20.91019%	21.16273%	\$1,596,897	\$1,059,648	\$172,553	\$2,829,098	22,784,873,809	0.00012
OS2	0.02131%	0.02302%	0.07119%	\$1,505	\$1,167	\$580	\$3,252	22,034,093	0.00015
GSLD1/CS1	10.35320%	8.93401%	9.06907%	\$731,224	\$452,741	\$73,946	\$1,257,911	10,444,350,417	0.00012
GSLD2/CS2	1.69653%	1.38472%	1.39063%	\$119,822	\$70,172	\$11,339	\$201,333	1,721,709,924	0.00012
GSLD3/CS3	0.17037%	0.13596%	0.00000%	\$12,033	\$6,890	\$0	\$18,923	180,075,156	0.00011
SST1T	0.13855%	0.08694%	0.00000%	\$9,785	\$4,406	\$0	\$14,191	146,444,940	0.00010
SST1D	0.05733%	0.05046%	0.05589%	\$4,049	\$2,557	\$456	\$7,062	58,882,752	0.00012
CILC D/CILC G	3.40759%	2.58193%	2.59654%	\$240,671	\$130,842	\$21,171	\$392,684	3,462,136,755	0.00011
CILC T	1.50522%	1.05611%	0.00000%	\$106,311	\$53,520	\$0	\$159,831	1,591,014,236	0.00010
MET	0.09065%	0.09432%	0.10221%	\$6,403	\$4,780	\$833	\$12,016	93,722,226	0.00013
OL1/SL1/PL1	0.54683%	0.12907%	0.72838%	\$38,622	\$6,541	\$5,939	\$51,102	551,019,353	0.00009
SL2	0.07639%	0.05252%	0.04865%	\$5,395	\$2,661	\$397	\$8,453	76,974,890	0.00011
TOTAL				\$7,062,783	\$5,067,617	\$815,363	\$12,945,763	100,913,607,000	0.00013

Notes: There are currently no customers taking service on Schedules ISST1(D) or ISST1(T). Should any customer begin taking service on these schedules during the period, they will be billed using the applicable SST1 Factor.

- (1) From Form 42-6P, Col 11
- (2) From Form 42-6P, Col 12
- (3) From Form 42-6P, Col 13
- (4) Total Energy \$ from Form 42-1P, Line 5b x Col 1 (5) Total CP Demand \$ from Form 42-1P, Line 5b x Col 2
- (6) Total GCP Demand \$ from Form 42-1P, Line 5b x Col 3
- (7) Col 4 + Col 5 + Col 6
- (8) Projected KWH sales for the period January 2004 through December 2004
- (9) Col 7 / Col 8 x 100