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COMMISSION CLERK

February 28, 2007

- VIA OVERNIGHT DELIVERY -

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
Betty Easley Conference Center
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

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Re: Docket No. 070001-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 Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery True-Ups for the Period Ending December 2006, and Florida Power & Light Company's Request for Confidential Classification of Short Term Capacity Payment Information, together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows XP, and the word processing software is Word 2003. Pursuant to Rule 25-22.006, F.A.C., I am also enclosing one highlighted and two redacted copies of the document that is the subject of this confidentiality request. The enclosed affidavit of Gerard J. Yupp, Exhibit D to the confidentiality request, is a copy. The original affidavit will be filed shortly under separate cover.

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

If there are any questions regarding this transmittal, please contact me at 561-304-5639.

Sincerely,

Kenel M. Dubin

John T. Butler

for JTB

- MP
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- CTR
- ECR 1
- GCL 1
- OPC
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- SCR
- SGA
- SEC
- OTH

Enclosures

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

DOCUMENT NUMBER-DATE

01900 MAR -1 07

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchase Power)
Cost Recovery Clause and Generating)
Performance Incentive Factor)

Docket No. 070001-EI

Filed: March 1, 2007

PETITION FOR APPROVAL OF FUEL COST RECOVERY AND CAPACITY COST RECOVERY NET TRUE-UPS FOR THE PERIOD ENDING DECEMBER 2006

Florida Power & Light Company ("FPL") hereby petitions this Commission for approval of FPL's Net Fuel and Purchased Power Cost Recovery ("FCR") true-up amount of \$53,744,558 under-recovery, and Net Capacity Cost Recovery ("CCR") true-up amount of \$4,030,283 under-recovery, both for the period ending December 2006. In support of this Petition, FPL states as follows:

1. The \$53,744,558 net FCR true-up under-recovery for the period January 2006 through December 2006 was calculated in accordance with the methodology set forth in Schedule 1, page 2 of 2, attached to Order No. 10093, dated June 19, 1981. This calculation and the supporting documentation are contained in the prepared testimony and exhibits of FPL witness K.M. Dubin, which are being filed together with the Petition and are incorporated herein by reference.

2. By Order No. PSC-06-1057-FOF-EI, the Commission approved FCR Factors for the period commencing January 2007. These factors reflected an estimated/actual true-up over-recovery, including interest, for the period January 2006 through December 2006 of \$216,430,642, which was also approved in Order No. PSC-06-1057-FOF-EI. The actual over-recovery, including interest, for the period January 2006 through December 2006 is \$162,686,084. The \$162,686,084 actual over-recovery, less the estimated/actual over-recovery

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FPSC-COMMISSION CLERK

of \$216,430,642 which is currently reflected in charges for the period beginning January 2007, results in a net FCR true-up under-recovery of \$53,744,558 that is to be included in the calculation of the FCR Factors for the period beginning January 2008.

3. As shown on the year-to-date December 2006 Schedule A6 that was filed with the Commission on January 23, 2007, FPL's 2006 gain on off-system sales was \$19,438,254. This exceeds by \$302,226 the \$19,136,028 benchmark approved by the Commission in Order No. PSC-06-1057-FOF-EI. Consistent with Commission Order No. PSC-00-1744-PAA-EI, issued in Docket No. 991779-EI on September 26, 2000, this \$302,226 exceedance of the benchmark is to be shared, such that 80% (\$241,781) goes to customers and 20% (\$60,445) goes to FPL shareholders. FPL is requesting that the Commission approve \$60,445 as its Shareholder Incentive for 2006, which amount is reflected in the calculation of the net FCR true-up described in Paragraph 2.

4. The \$4,030,283 net CCR true-up under-recovery for the period January 2006 through December 2006 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 and exhibits of FPL witness K.M. Dubin.

5. By Order No. PSC-06-1057-FOF-EI, the Commission approved CCR Factors for the period commencing January 2007. These factors reflected an estimated/actual true-up under-recovery, including interest, for the period January 2006 through December 2006 of \$18,215,446, which was also approved in Order No. PSC-06-1057-FOF-EI. The actual under-recovery, including interest, for the period January 2006 through December 2006 is \$22,245,729. The \$22,245,729 actual under-recovery, less the estimated/actual under-recovery of \$18,215,446 which is currently reflected in charges for the period beginning January 2007, results in a net

CCR true-up under-recovery of \$4,030,283 that is to be included in the calculation of the CCR Factors for the period beginning January 2008.

WHEREFORE, Florida Power & Light Company respectfully requests the Commission to approve FPL's net FCR true-up amount of \$53,744,558 under-recovery and authorize the inclusion of this amount in the calculation of the FCR Factors for the period beginning January 2008; to approve \$60,445 as FPL's FCR Shareholder Incentive for 2006, which amount is reflected in the calculation of the net FCR true-up; and to approve FPL's net CCR true-up amount of \$4,030,283 under-recovery for the period ending December 2006 and authorize the inclusion of this amount in the calculation of the CCR Factors for the period beginning January 2008.

Respectfully submitted,

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BY: John T. Butler for JTB
John T. Butler
Fla. Bar No. 283479

CERTIFICATE OF SERVICE
Docket No. 070001-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 Net True-Ups for the Period Ending December 2006 was served by overnight delivery (*) or United States mail on this 28th day of February, 2007, to the following persons:

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