

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Minimum Filing Require-	)	DOCKET NO. 891095-EI
ment Report of Florida Power	)	ORDER NO. 24433
Corporation in Compliance with	)	ISSUED: 4/25/91
Section 366.06(3), Florida	)	
Statutes.	)	
	)	

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman  
 J. TERRY DEASON  
 BETTY EASLEY  
 GERALD L. GUNTER  
 MICHAEL MCK. WILSON

NOTICE OF PROPOSED AGENCY ACTIONORDER CLOSING DOCKET

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

During its sunset review of the Public Service Commission, the Florida Legislature enacted Section 366.06(3)(a), Florida Statutes, which requires that each public electric utility with total annual sales in excess of 1 million megawatt-hours file a report every 4 years, or 4 years from its most recently completed rate case. All other public electric utilities are required to file on a 5 year basis. The report is to consist of, at a minimum, the modified minimum filing requirements then required by the Commission by rule, for rate proceedings pursuant to Section 366.06, Florida Statutes. Copies of the report are to be served on the Public Counsel and each party to the utility's most recent rate case concurrently with a filing with the Commission. Within 10 days of the receipt of the report, we must make copies available to the public at no more than the actual costs of reproducing the report.

DOCUMENT NUMBER-DATE

03948 APR 25 1991

PSC-RECORDS/REPORTING

ORDER NO. 24433  
DOCKET NO. 891095-EI  
PAGE 2

Section 366.06(3)(b), Florida Statutes, requires that we implement this reporting procedure for all public utilities within 18 months of the effective date of the act, which is October 1, 1989. To accomplish this implementation, approximately one-third of the public utilities are required to file each 6 months after the effective date of the act.

On October 5, 1989, we issued Order No. 21992 requiring Florida Power Corporation (FPC) to file the modified minimum filing requirements (MMFRs) with the Commission on or before March 30, 1990. FPC filed the MMFRs on March 29, 1990.

We performed an analysis of the detailed information submitted by FPC and determined that FPC did not have excessive earnings on a 1989 actual basis and a 1990 projected basis. An audit of the MMFRs was completed on September 19, 1990. In addition, we have reviewed the actual data for 1990 submitted in the monthly surveillance report for December 1990.

Based on this review, FPC's earnings were not excessive, nor is there any indication that future earnings might be excessive.

Attachment 1 is a side by side comparison of the rate base and the income statement for 1989 actual, 1990 projected, 1990 actual and pro forma 1990 actual. The pro forma 1990 actual has been adjusted pursuant to two of our recent decisions. In Docket No. 891335-EI, new depreciation rates were approved effective December 1, 1990. On a jurisdictional basis, this increases depreciation expense by \$30.7 million. In Docket No. 900935-EI, we approved the discontinuance of a billing credit. This adjustment increases jurisdictional revenues by \$12.5 million.

As shown on Attachment 1, the return on equity (ROE) for the various years ranged between 11.72% and 12.61%. The currently approved ROE for FPC is 12.60% to 13.60%. Therefore, the calculated ROEs are either below or at the authorized floor of 12.60%.

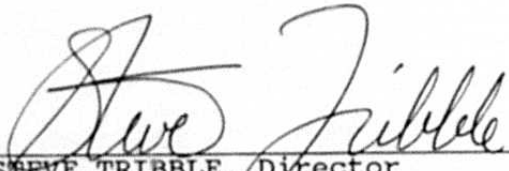
FPC's earnings are not currently excessive and, there is no indication that excessive earnings might occur in the future given the present circumstances.

ORDER NO. 24433  
DOCKET NO. 891095-EI  
PAGE 3

It is therefore,

ORDERED by the Florida Public Service Commission that this Order shall become final and this docket shall be closed unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

By ORDER of the Florida Public Service Commission, this  
25th day of APRIL, 1991.

  
\_\_\_\_\_  
STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

MAP:bmi  
891095.bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-

ORDER NO. 24433  
DOCKET NO. 891095-EI  
PAGE 4

22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on May 16, 1991.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

18-Mar-91

FLORIDA POWER CORPORATION  
 DOCKET NO. 891095-EI  
 MMFR REVIEW  
 (000)

	(1)	(2)	(3)	(4)	(5)	(6)
	ADJUSTED JURISDICTIONAL AS FILED			PHASE 1	BILLING	
	1989	1990	1990 ACTUAL	DEPRECIATION	CREDIT	1990 ACTUAL
	ACTUAL	PROJECTED	SURVEILLANCE	RATES	ELIMINATION	PRO FORMA
PLANT IN SERVICE	\$3,766,201	\$3,945,610	\$3,936,294			\$3,936,294
ACCUMULATED DEPRECIATION	(1,177,545)	(1,292,619)	(1,279,623)	(16,559)		(1,296,182)
NET PLANT IN SERVICE	2,588,656	2,652,991	2,656,671	(16,559)	0	2,640,112
CONSTRUCTION WORK IN PROGRESS	57,487	36,988	73,032			73,032
PROPERTY HELD FOR FUTURE USE	37,817	26,993	27,311			27,311
NUCLEAR FUEL	66,913	86,393	84,886			84,886
NET UTILITY PLANT	2,750,873	2,803,365	2,841,900	(16,559)	0	2,825,341
WORKING CAPITAL & OTHER	94,475	95,326	102,110			102,110
TOTAL RATE BASE	\$2,845,348	\$2,898,691	\$2,944,010	(\$16,559)	\$0	\$2,927,451
OPERATING REVENUES	\$863,434	\$892,967	\$886,278		\$12,501	\$898,779
OPERATING EXPENSES:						
O&M - OTHER	331,116	327,293	322,449			322,449
O&M - INTERCHANGE	4,547	4,513	4,862			4,862
DEPRECIATION & AMORTIZATION	163,665	168,494	151,325	30,746		182,071
TAXES OTHER THAN INCOME	63,467	70,997	71,409		203	71,612
INCOME TAXES-CURRENTLY PAYABLE	83,092	86,902	105,485	(11,570)	4628	98,543
DEFERRED INCOME TAXES - NET	(9,232)	1,509	(13,767)			(13,767)
INVESTMENT TAX CREDIT - NET	(7,892)	(7,643)	(5,540)			(5,540)
(GAIN)/LOSS ON SALE & OTHER	(578)	(344)	(540)			(540)
TOTAL OPERATING EXPENSES	628,205	651,721	635,683	19,176	4,831	659,690
NET OPERATING INCOME	\$235,229	\$241,246	\$250,595	(\$19,176)	\$7,670	\$239,089
ACHIEVED RATE OF RETURN	8.27%	8.32%	8.51%			8.17%
ACHIEVED RETURN ON EQUITY	11.80%	11.89%	12.61%			11.72%