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Tallahassee, Florida

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**ORIGINAL
FILE COPY**

January 5, 1990

Mr. Steve Tribble
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32301

RE: Docket No. 900004-EU

Dear Mr. Tribble:

Enclosed for filing please find the original and fifteen (15) copies of Florida Power & Light Company's Revised Standard Offer Contract (Tariff Sheet Nos. 9.850-9.853) and COG-2 Rate Schedule (Tariff Sheet Nos. 10.200-10.204 and 10.210-10.214 as ordered by the Florida Public Service Commission, Order No. 22341, in the above referenced docket.

Respectfully submitted,



Matthew M. Childs, P.A.


- ACK
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG**
- LEG
- LN
- OPC _____
- RCH _____
- SEC
- WAS _____
- OTH _____

MMC/eg

Enclosure as stated

cc: All Parties of Record

RECEIVED & FILED


FP&C BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
00150 JAN -5 1990
FPSC-RECORDS/REPORTING

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CERTIFICATE OF SERVICE
DOCKET NO. 900004-EU

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Revised Standard Offer Contract (Tariff Sheet Nos. 9.850-9.853) and COG-2 Rate Schedule (Tariff Sheet Nos. 10.200-10.204 and 10.210-10.214) have been furnished to the following individuals by Hand Delivery* or U. S. Mail** on this 5th day of January, 1990.

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DOCUMENT NUMBER-DATE

00150 JAN-5 1990

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Matthew M. Childs, P.A.

**STANDARD OFFER CONTRACT FOR THE PURCHASE OF
FIRM CAPACITY AND ENERGY FROM A QUALIFYING FACILITY**

THIS AGREEMENT is made and entered into this _____ day of _____, 19____ by and between _____, hereinafter referred to as "QF" and Florida Power & Light Company, hereinafter referred to as "FPL" or the "Company"; a private utility corporation organized under the laws of the State of Florida. The QF and FPL shall collectively be referred to herein as the "Parties".

WITNESSETH:

WHEREAS, QF desires to sell, and FPL desires to purchase electricity to be generated by the QF consistent with Florida Public Service Commission (FPSC) Rules 25-17.080 through ~~25-17.089~~ 25-17.087 of Order No. 12443 22341, Docket No. 820406-EU 890004-EU; and

WHEREAS, QF has signed an Interconnection Agreement with the utility in whose service territory the QF's generating facility is located, attached hereto as Appendix A; and

WHEREAS, the FPSC has approved this following Standard Offer Contract for the Purchase of Firm Capacity and Energy from a Qualifying Facility;

NOW, THEREFORE, for mutual consideration the Parties agree as follows:

1. Facility

QF contemplates installing and operating a _____ KVA _____ generator located at _____ . The generator is designed to produce a maximum of _____ kilowatts (KW) of electric power at an 85% power factor, such equipment being hereinafter referred to as "Facility."

2. Term of the Agreement

This Agreement shall begin immediately upon its execution by the parties and shall end at 12:01 a.m., _____, 19____.

Notwithstanding the foregoing if construction and commercial operation of the Facility are not accomplished by QF before January 1, ~~1995~~ 1993, this Agreement shall be rendered of no force and effect.

3. Sale of Electricity by QF

FPL agrees to purchase all of the electric power generated at the Facility and transmitted to FPL by QF. The purchase and sale of electricity pursuant to this Agreement shall be construed as a () net billing arrangement or ()

(Continued on Sheet No. 9.851)

(Continued from Sheet No. 9.850)

simultaneous purchase and sale arrangement. The billing methodology may be changed at the option of the QF, subject to the following provisions:

- (a) not more frequently than once every twelve months;
- (b) to coincide with the next Fuel and Purchased Power Cost Recovery Factor billing period;
- (c) upon at least thirty days advance written notice to the Company;
- (d) upon the installation of any additional metering equipment reasonably required to effect the change in billing and upon payment by the QF for such metering equipment and its installation;
- (e) upon completion and approval of any alterations to the interconnection reasonably required to effect the change in billing and upon payment by the QF for such alterations; and
- (f) where the election to change billing methods will not contravene the provisions of the tariff under which the Facility receives electrical service, or any previously agreed upon contractual provision between the QF and the Company.

4. Payment for Electricity Produced by QF

4.1 Energy

FPL agrees to pay the QF for energy produced by the Facility and delivered to the Company in accordance with the rates and procedures contained in Rate Schedule COG-2 attached hereto as Appendix B, and as may be amended from time to time. Prior to January 1, 1995 1993 QF will receive energy payments based on FPL's actual avoided energy costs. After January 1, 1995 1993 QF's energy payments will be based on the lesser of FPL's actual avoided fuel costs or the fuel cost of the Statewide Avoided Unit as defined in COG-2, such comparison to be made hourly.

4.2 Capacity

4.2.1 Capacity Payment. FPL agrees to pay QF for the capacity described in Paragraph 4.2.2 in accordance with the rates and procedures contained in Rate Schedule COG-2, as it may be amended and approved from time to time by the FPSC, and pursuant to the election of Option _____ of Rate Schedule COG-2.

4.2.2 Committed Capacity. It is the intent of QF to sell _____ KW of committed capacity, beginning on _____, 19____. QF shall have the one time option of finalizing its committed capacity after initial Facility testing and specify when capacity payments are to begin. Such option shall be exercised by providing formal written notice, in accordance with Paragraph 9.7, informing FPL of any change in the committed capacity and beginning date above. In the event such notice is not received by FPL prior to the commercial in-service date of the Facility or January 1, 1993 1991, whichever occurs first, the committed capacity specified in this Paragraph shall be considered as the QF's committed capacity.

(Continued on Sheet No. 9.852)

(Continued from Sheet No. 9.851)

5. Electricity Production Schedule

During the term of this Agreement, QF agrees to:

- (a) Provide FPL prior to October 1 of each calendar year an estimate of the amount of electricity to be generated by the Facility and delivered to the Company for each month of the following calendar year, including the time, duration and magnitude of any planned outages or reductions in capacity;
- (b) Promptly update the yearly generation schedule and maintenance schedule as and when any changes may be determined necessary;
- (c) Coordinate its scheduled Facility outages with FPL; and
- (d) Comply with reasonable requirements of FPL regarding day-to-day or hour by-hour communications between the parties relative to the performance of this Agreement.

6. QF's Obligation if QF Receives Early Capacity Payments

The QF's payment option choice pursuant to paragraph 4.2.1 may result in payment by FPL for capacity delivered prior to January 1, 1995 ~~1993~~. The Parties recognize that capacity payments paid through December 31, 1994 ~~1992~~ are in the nature of "early payment" for a future capacity benefit to FPL. To ensure that FPL will receive a capacity benefit for which early capacity payments have been made, or alternatively, that the QF will repay the amount of early payments received to the extent the capacity benefit has not been conferred the following provisions will apply:

FPL shall establish a Capacity Account. Amounts shall be credited to the Capacity Account each month through December, 1994 ~~1992~~ in the amount of FPL's capacity payments made to the QF pursuant to QF's chosen payment option from Rate Schedule COG-2. The monthly balance in the Capacity Account shall accrue interest at an annual rate of 10.5%. Commencing on January 1, 1995 ~~1993~~, there shall be debited from the Capacity Account an Early Payment Offset Amount to reduce the balance in the Capacity Account. Such Early Payment Offset Amount shall be equal to that amount which FPL would have paid for capacity in that month, if capacity payment had been calculated pursuant to Option A in Rate Schedule COG-2 and the QF had elected to begin receiving payment on January 1, 1995 ~~1993~~, minus the monthly capacity payment FPL makes to QF pursuant to the capacity payment option chosen by QF in paragraph 4.2.1.

The QF shall owe FPL and be liable for the credit balance in the Capacity Account. FPL agrees to notify QF monthly as to the current Capacity Account balance. Prior to receipt of advance capacity payments the QF shall execute a promise to repay any credit balance in the Capacity Account in the event the QF defaults pursuant to this Agreement. Such

(Continued on Sheet No. 9.853)

(Continued from Sheet No. 9.852)

promise shall be secured by means mutually acceptable to the Parties and in accordance with the provision of Rate Schedule COG-2. The specific repayment assurance selected for purposes of this Agreement is:

The total Capacity Account shall immediately become due and payable in the event of default by the QF. The QF's obligation to pay the credit balance in the Capacity Account shall survive termination of this Agreement.

7. Non-Performance Provisions

QF shall not receive a capacity payment during any month in which the twelve months rolling average of the QF's capacity factor does not equal or exceed 70% as defined in Rate Schedule COG-2. In addition, if for any month after January 1, 1995 1993, the QF fails to achieve a 70% capacity factor on a 12 month rolling average basis and the QF has received capacity payments prior to January 1, 1995 1993, the QF shall be liable for and shall pay FPL an amount equal to the Early Payment Offset Amount for the month; provided, however, that such calculation shall assume that the QF achieved a 70% capacity factor. Any payments thus required of QF shall be separately invoiced by FPL to QF after each month for which such repayment is due and shall be paid by QF within 20 days after receipt of such invoice by QF. Such repayment shall be debited from the Capacity Amount as an Early Payment Offset Amount.

In no event shall the QF repay to FPL for non-performance any amounts which exceed the current credit balance in the Capacity Account.

8. Default

Should any one of the following conditions exist, FPL shall have the right to declare the QF in default under this Agreement.

- (a) The QF ceases all electric generation for 12 consecutive months.
- (b) After January 1, 1995 1993, the QF fails to maintain a 70% capacity factor on a twelve month rolling average basis for 24 consecutive months.
- (c) The QF ceases the conduct of active business; or if proceedings under the Federal Bankruptcy Act or insolvency laws shall be instituted by or for or against QF; or if a receiver shall be appointed for the QF or any of its assets or properties; or if any part of the QF shall be attached, levied upon, encumbered, pledged, seized, or taken under any judicial process and such proceedings shall not be vacated or fully stayed within 30 days thereof; or if the QF shall make an assignment for the benefit of creditors, or admit in writing its inability to pay its debts as they become due.

(Continued on Sheet No. 9.854)

**STANDARD OFFER CONTRACT FOR THE PURCHASE OF
FIRM CAPACITY AND ENERGY FROM A QUALIFYING FACILITY**

THIS AGREEMENT is made and entered into this _____ day of _____, 19__ by and between _____, hereinafter referred to as "QF" and Florida Power & Light Company, hereinafter referred to as "FPL" or the "Company"; a private utility corporation organized under the laws of the State of Florida. The QF and FPL shall collectively be referred to herein as the "Parties".

WITNESSETH:

WHEREAS, QF desires to sell, and FPL desires to purchase electricity to be generated by the QF consistent with Florida Public Service Commission (FPSC) Rules 25-17.080 through 25-17.087 of Order No. 22341, Docket No. 890004-EU; and

WHEREAS, QF has signed an Interconnection Agreement with the utility in whose service territory the QF's generating facility is located, attached hereto as Appendix A; and

WHEREAS, the FPSC has approved this following Standard Offer Contract for the Purchase of Firm Capacity and Energy from a Qualifying Facility;

NOW, THEREFORE, for mutual consideration the Parties agree as follows:

1. Facility

QF contemplates installing and operating a _____ KVA _____ generator located at _____ . The generator is designed to produce a maximum of _____ kilowatts (KW) of electric power at an 85% power factor, such equipment being hereinafter referred to as "Facility."

2. Term of the Agreement

This Agreement shall begin immediately upon its execution by the parties and shall end at 12:01 a.m., _____, 19__.

Notwithstanding the foregoing if construction and commercial operation of the Facility are not accomplished by QF before January 1, 1993, this Agreement shall be rendered of no force and effect.

3. Sale of Electricity by QF

FPL agrees to purchase all of the electric power generated at the Facility and transmitted to FPL by QF. The purchase and sale of electricity pursuant to this Agreement shall be construed as a () net billing arrangement or ()

(Continued on Sheet No. 9.851)

(Continued from Sheet No. 9.850)

simultaneous purchase and sale arrangement. The billing methodology may be changed at the option of the QF, subject to the following provisions:

- (a) not more frequently than once every twelve months;
- (b) to coincide with the next Fuel and Purchased Power Cost Recovery Factor billing period;
- (c) upon at least thirty days advance written notice to the Company;
- (d) upon the installation of any additional metering equipment reasonably required to effect the change in billing and upon payment by the QF for such metering equipment and its installation;
- (e) upon completion and approval of any alterations to the interconnection reasonably required to effect the change in billing and upon payment by the QF for such alterations; and
- (f) where the election to change billing methods will not contravene the provisions of the tariff under which the Facility receives electrical service, or any previously agreed upon contractual provision between the QF and the Company.

4. Payment for Electricity Produced by QF

4.1 Energy

FPL agrees to pay the QF for energy produced by the Facility and delivered to the Company in accordance with the rates and procedures contained in Rate Schedule COG-2 attached hereto as Appendix B, and as may be amended from time to time. Prior to January 1, 1993 QF will receive energy payments based on FPL's actual avoided energy costs. After January 1, 1993 QF's energy payments will be based on the lesser of FPL's actual avoided fuel costs or the fuel cost of the Statewide Avoided Unit as defined in COG-2, such comparison to be made hourly.

4.2 Capacity

4.2.1 Capacity Payment. FPL agrees to pay QF for the capacity described in Paragraph 4.2.2 in accordance with the rates and procedures contained in Rate Schedule COG-2, as it may be amended and approved from time to time by the FPSC, and pursuant to the election of Option _____ of Rate Schedule COG-2.

4.2.2 Committed Capacity. It is the intent of QF to sell _____ KW of committed capacity, beginning on _____, 19____. QF shall have the one time option of finalizing its committed capacity after initial Facility testing and specify when capacity payments are to begin. Such option shall be exercised by providing formal written notice, in accordance with Paragraph 9.7, informing FPL of any change in the committed capacity and beginning date above. In the event such notice is not received by FPL prior to the commercial in-service date of the Facility or January 1, 1991, whichever occurs first, the committed capacity specified in this Paragraph shall be considered as the QF's committed capacity.

(Continued on Sheet No. 9.852)

(Continued from Sheet No. 9.851)

5. Electricity Production Schedule

During the term of this Agreement, QF agrees to:

- (a) Provide FPL prior to October 1 of each calendar year an estimate of the amount of electricity to be generated by the Facility and delivered to the Company for each month of the following calendar year, including the time, duration and magnitude of any planned outages or reductions in capacity;
- (b) Promptly update the yearly generation schedule and maintenance schedule as and when any changes may be determined necessary;
- (c) Coordinate its scheduled Facility outages with FPL; and
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FPL shall establish a Capacity Account. Amounts shall be credited to the Capacity Account each month through December, 1992, in the amount of FPL's capacity payments made to the QF pursuant to QF's chosen payment option from Rate Schedule COG-2. The monthly balance in the Capacity Account shall accrue interest at an annual rate of 10.5%. Commencing on January 1, 1993, there shall be debited from the Capacity Account an Early Payment Offset Amount to reduce the balance in the Capacity Account. Such Early Payment Offset Amount shall be equal to that amount which FPL would have paid for capacity in that month, if capacity payment had been calculated pursuant to Option A in Rate Schedule COG-2 and the QF had elected to begin receiving payment on January 1, 1993, minus the monthly capacity payment FPL makes to QF pursuant to the capacity payment option chosen by QF in paragraph 4.2.1.

The QF shall owe FPL and be liable for the credit balance in the Capacity Account. FPL agrees to notify QF monthly as to the current Capacity Account balance. Prior to receipt of advance capacity payments the QF shall execute a promise to repay any credit balance in the Capacity Account in the event the QF defaults pursuant to this Agreement. Such

(Continued on Sheet No. 9.853)

(Continued from Sheet No. 9.852)

promise shall be secured by means mutually acceptable to the Parties and in accordance with the provision of Rate Schedule COG-2. The specific repayment assurance selected for purposes of this Agreement is:

The total Capacity Account shall immediately become due and payable in the event of default by the QF. The QF's obligation to pay the credit balance in the Capacity Account shall survive termination of this Agreement.

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In no event shall the QF repay to FPL for non-performance any amounts which exceed the current credit balance in the Capacity Account.

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Should any one of the following conditions exist, FPL shall have the right to declare the QF in default under this Agreement.

- (a) The QF ceases all electric generation for 12 consecutive months.
- (b) After January 1, 1993, the QF fails to maintain a 70% capacity factor on a twelve month rolling average basis for 24 consecutive months.
- (c) The QF ceases the conduct of active business; or if proceedings under the Federal Bankruptcy Act or insolvency laws shall be instituted by or for or against QF; or if a receiver shall be appointed for the QF or any of its assets or properties; or if any part of the QF shall be attached, levied upon, encumbered, pledged, seized, or taken under any judicial process and such proceedings shall not be vacated or fully stayed within 30 days thereof; or if the QF shall make an assignment for the benefit of creditors, or admit in writing its inability to pay its debts as they become due.

(Continued on Sheet No. 9.854)

**STANDARD RATE FOR PURCHASE OF FIRM CAPACITY AND ENERGY
FROM QUALIFYING COGENERATION AND
SMALL POWER PRODUCTION FACILITIES
(QUALIFYING FACILITIES)**

SCHEDULE

COG-2, Firm Capacity and Energy

AVAILABLE

The Company will purchase Firm Capacity and Energy offered by any Qualifying Facility, irrespective of its location, which is either directly or indirectly interconnected with the Company under the provisions of this schedule. The Company will negotiate and may contract with any Qualifying Facility, irrespective of its location, which is either directly or indirectly interconnected with the Company for the purchase of Firm Capacity and Energy pursuant to terms and conditions which deviate from this schedule where such negotiated contracts are in the best interest of the Company's ratepayers. The Company's obligation to contract to purchase firm capacity from Qualifying Facilities (by negotiated or "Standard Offer" contracts) will continue only as long as, and to the extent, the Company's 230 MW subscription limit as identified in the Florida Public Service Commission (FPSC) Order No. 22341, is not exceeded.

APPLICABLE

To any cogeneration or small power production Qualifying Facility, irrespective of its location, producing capacity and energy for sale to the Company on a firm basis pursuant to the terms and conditions of this schedule and the Company's "Standard Offer Contract" or a separately negotiated contract. Firm Capacity and Energy are described by the FPSC Rule 25-17.083, F.A.C., and are capacity and energy produced and sold by a Qualifying Facility pursuant to a negotiated or standard Company contract offer and subject to certain contractual provisions as to quantity, time, and reliability of delivery. Criteria for achieving Qualifying Facility status shall be those set out in FPSC Rule 25-17.080, F.A.C.

CHARACTER OF SERVICE

Purchases within the territory served by the Company shall be, at the option of the Company, single or three phase, 60 hertz, alternating current at any available standard Company voltage. Purchases from outside the territory served by the Company shall be three phase, 60 hertz, alternating current at the voltage level available at the interchange point between the Company and the entity delivering the Firm Energy and Capacity from the Qualifying Facility.

LIMITATION:

Purchases under this schedule are subject to the Company's "General Standards for Safety and Interconnection of Cogeneration and Small Power Production Facilities to the Electric Utility System" and to FPSC Rules 25-17.080 through 25-17.087, F.A.C., and are limited to those Qualifying Facilities which:

- A. Execute a Company "Standard Offer Contract" prior to January 1, 1991 for the Company's purchase of Firm Capacity and Energy; and
- B. Commit to commence deliveries of Firm Capacity and Energy no later than January 1, 1993 and to continue such deliveries through at least December 31, 2002.
- C. Provide capacity which would not result in the subscription limit for the Company on capacity deficit (230 MW) as identified in the FPSC Order No. 22341 to be exceeded.

RATE FOR PURCHASES BY THE COMPANY:

Firm Capacity and Energy are purchased at a unit cost, in dollars per kilowatt per month and cents per kilowatt-hour, respectively, based on the value of deferring additional generating capacity in Florida. For the purpose of this schedule, a Statewide Avoided Unit has been designated by the FPSC. The next Statewide Avoided Unit has been identified as the Company's next "combined" cycle unit which is considered to be one (1) 385 MW combined cycle unit with an in-service date of January 1, 1993 as identified in the FPSC Order No. 22341. Appendix A of this schedule describes the methodology used to calculate payment schedules, general terms, and conditions applicable to the Company's "Standard Offer Contract" pursuant to FPSC Rules 25-17.080 through 25-17.087, F.A.C.

A. Firm Capacity Rates

Three options, A through C, as set forth below, are available for payment of Firm Capacity which is produced by the Qualifying Facility and delivered to the Company. Once selected, an option shall remain in effect for the term of the contract with the Company. Exemplary payment schedules, shown below, contain the monthly rate per kilowatt of Firm Capacity the Qualifying Facility has contractually committed to deliver to the Company

(Continued on Sheet No. 10.201)

(Continued from Sheet No. 10.200)

and are based on a minimum contract term which extends ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit (i.e., through December 31, 2002). Payment schedules for longer contract terms will be made available to a Qualifying Facility upon request and may be calculated based on the methodologies described in Appendix A.

Solid Waste Facilities, as defined in FPSC Rule 25-17.091 F.A.C., may qualify for an incentive schedule of monthly capacity payments developed using the methodology described in Option D contained in Appendix C of this rate schedule.

Option A - Fixed Value of Deferral

Payment schedules under this option are based on the value of a year-by-year deferral of the Statewide Avoided Unit with an in-service date of January 1, 1993, calculated in accordance with FPSC Rule 25-17.083 F.A.C., as described in Appendix A. Once this option is selected, the current schedule of payments shall remain fixed and in effect throughout the term of the "Standard Offer Contract".

The Qualifying Facility shall select the month and year in which the delivery of Firm Capacity and Energy to the Company is to commence and capacity payments are to start. The Company will provide the Qualifying Facility with a schedule of capacity payment rates based on the month and year in which the delivery of Firm Capacity and Energy are to commence and the term of the contract. The following exemplary payment schedule is based on the minimum required contract term which must extend at least ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit. The currently approved parameters used to calculate the following schedule of payments are found in Appendix B of this schedule.

MONTHLY CAPACITY PAYMENT IN \$/KW/MONTH
 1993 FPL COMBINED CYCLE UNIT (385 MW)
 STANDARD OFFER - 0.8 RISK FACTOR
 AVOIDED CAPACITY PAYMENTS (\$/KW/MONTH)

Contract Year	Normal Payment Starting 01/01/93	Early Payment Starting		
		01/01/92	01/01/91	01/01/90
1989				
1990				\$ 3.13
1991			\$ 3.55	3.30
1992		\$ 4.03	3.74	3.48
1993	\$ 5.98	5.65	5.35	5.07
1994	6.31	5.95	5.64	5.35
1995	6.65	6.27	5.94	5.64
1996	7.00	6.61	6.26	5.94
1997	7.38	6.97	6.60	6.26
1998	7.78	7.34	6.95	6.60
1999	8.20	7.74	7.33	6.95
2000	8.64	8.16	7.72	7.32
2001	9.11	8.60	8.14	7.72
2002	9.60	9.06	8.57	8.13
2003	10.11	9.55	9.04	8.57
2004	10.66	10.06	9.52	9.03
2005	11.23	10.60	10.03	9.52
2006	11.84	11.17	10.58	10.03
2007	12.47	11.77	11.14	10.57
2008	13.15	12.41	11.74	11.14
2009	13.85	13.08	12.38	11.74
2010	14.60	13.78	13.04	12.37
2011	15.39	14.52	13.75	13.04
2012	16.21	15.31	14.49	13.74

(Continued on Sheet No. 10.202)

(Continued from Sheet No. 10.201)

Option B - Variable Value of Deferral

The payment schedule under this option is based on the value of deferral of a statewide avoided unit with an in-service date of January 1, 1993. Once this option is selected, the unit designation and its in-service date shall remain fixed for the term of the contract. The value of deferral shall be recalculated annually and the payment schedule shall be adjusted, upon approval by the FPSC, to reflect the most recent factors affecting the cost of constructing the Statewide Avoided Unit. The Qualifying Facility shall select the month and year in which the delivery of Firm Capacity and Energy to the Company is to commence and capacity payments are to start pursuant to this option.

The methodology used to determine the level of payment each year is the same as that used in Option A of this schedule and is described in Appendix A. For informational purposes only, the current projection of payments are those contained in Option A above.

Option C - Average Embedded Book Cost of Fossil Steam Production Plant

Monthly payment made under this option shall be based on the Company's current average embedded book cost of fossil steam production plant approved by the FPSC and in effect in the year payment is made.

The following monthly payment schedule is provided for informational purposes only. It reflects the Company's current projection of payments.

PROJECTED MONTHLY CAPACITY PAYMENT RATE - \$/KW/MONTH

<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
4.35	4.43	4.51	4.61	4.70	4.71	5.86
<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	
5.91	6.21	6.22	6.49	8.09	8.14	

(Continued on Sheet No. 10.203)

(Continued from Sheet No. 10.202)

B. Energy Rates

(1) Payments Prior to January 1, 1993:

The energy rate, in cents per kilowatt-hour (¢/KWH), shall be based on the Company's actual hourly avoided energy costs which are calculated by the Company in accordance with FPSC Rule 25-17.0825, F.A.C. Avoided energy costs include incremental fuel, identifiable operation and maintenance expenses, and an adjustment for line losses reflecting delivery voltage. The calculation of the Company's avoided energy costs reflects the delivery of energy to the region of the Company in which the Qualifying Facility is located. Energy payments to Qualifying Facilities located outside the Company's service territory reflect the region in which the interchange point for the delivery of energy is located. When economy transactions take place, the incremental costs are calculated after the purchase or before the sale of the economy energy.

The calculation of payments to the Qualifying Facility shall be based on the sum, over all hours of the billing period, of the product of each hour's avoided energy cost times the purchases by the Company for that hour. All purchases shall be adjusted for losses from the point of metering to the point of interconnection.

(2) Payments Starting on January 1, 1993:

The energy rate, in cents per kilowatt-hour (¢/KWH), shall be the lesser of an hour-by-hour comparison of: (a) the fuel component of the Company's avoided energy costs calculated in accordance with Rule 25-17.0825 F.A.C.; and (b) the Statewide Avoided Unit Fuel Cost. The Statewide Avoided Unit Fuel Cost, in cents per kilowatt-hour (¢/KWH) shall be defined as the product of: (a) the average monthly inventory charge-out price of natural gas and/or oil (as reported on the Company's Fuel Cost Recovery A-5 Schedule) consumed at the Company's Putnam Site Combined-Cycle Units, in cents per million Btu; and (b) an average annual heat rate of 7.62 million Btu per megawatt-hour based on FPL's 1993 385 MW combined cycle unit.

Calculations of payments to the Qualifying Facility shall be based on the sum, over all hours of the billing period, of the product of each hour's avoided energy cost times the purchases by the Company for that hour. All purchases shall be adjusted for losses from the point of metering to the point of interconnection.

ESTIMATED FIRM ENERGY COST

For informational purposes only, the estimated incremental avoided energy costs for the next four semi-annual periods are as follows. In addition, avoided energy cost payments will include .006¢/KWH for variable operation and maintenance expenses.

Applicable Period	On-Peak ¢/KWH	Off-Peak ¢/KWH	Average ¢/KWH
October 1, 1989 - March 31, 1990	2.76	2.17	2.31
April 1, 1990 - September 30, 1990	3.43	2.45	2.71
October 1, 1990 - March 31, 1991	3.06	2.29	2.48
April 1, 1991- September 30, 1991	4.15	2.50	2.94

A MW block size ranging from 249 MW to 448.6 MW has been used to calculate the estimated avoided energy cost.

The estimated avoided fuel costs associated with the Statewide Avoided Unit are as follows:

¢/KWH									
1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
2.77	3.19	3.58	4.03	4.49	4.95	5.40	5.84	6.16	6.52

*Based on current estimates of the delivered cost of natural gas to the Company's Putnam Site Combined Cycle Units.

(Continued on Sheet No. 10.204)

(Continued from Sheet No. 10.203)

PERFORMANCE CRITERIA

Payments for Firm Capacity are conditioned on the Qualifying Facility's ability to maintain the following performance criteria:

A. Commercial In-Service Date

Capacity payments shall not commence until the Qualifying Facility has attained and demonstrated commercial in-service status. The commercial in-service date of a Qualifying Facility shall be defined as the first day of the month following the successful completion of the Qualifying Facility maintaining an hourly kilowatt (KW) output, as metered at the point of interconnection with the Company, equal to or greater than the Qualifying Facility's "Standard Offer Contract" committed capacity for a 24 hour period. A Qualifying Facility shall coordinate the selection of and operation of its facility during this test period with the Company to insure that the performance of its facility during this 24 hour period is reflective of the anticipated day to day operation of the Qualifying Facility.

B. Capacity Factor

Upon achieving commercial in-service status, payments for Firm Capacity shall be made monthly in accordance with the capacity payment rate option selected by the Qualifying Facility and subject to the provision that the Qualifying Facility maintains a 70% capacity factor on a 12 month rolling average basis as defined in Appendix A. Failure to achieve this capacity factor shall result in the Qualifying Facility's forfeiture of payments for Firm Capacity during the month in which such failure occurs. Where early capacity payments have been elected and starting with the month of January 1993, failure of a Qualifying Facility to maintain a 70% capacity factor on a 12 month rolling average basis shall also result in payments by the Qualifying Facility to the Company. The amount of such payments shall be equal to the difference between: (1) what the Qualifying Facility would have been paid had it elected the normal payment option starting January 1993; and (2) what it would have been paid pursuant to the early payment option had it maintained the capacity factor performance criteria.

All capacity payments made by the Company prior to January 1, 1993 are considered "early payments". The owner or operator of the Qualifying Facility, as designated by the Company, shall secure its obligation to repay, with interest, the cumulative amount of early capacity payments in the event the Qualifying Facility defaults under the terms of its "Standard Offer Contract" with the Company. The Company will provide monthly summaries of the total outstanding balance of such security obligations. A summary of the types of security instruments which are generally acceptable to the Company is discussed in Appendix A.

C. Additional Criteria

- (1) The Qualifying Facility shall provide monthly generation estimates by October 1 for the next calendar year; and
- (2) The Qualifying Facility shall promptly update its yearly generation schedule when any changes are determined necessary; and
- (3) The Qualifying Facility shall agree to reduce generation or take other appropriate action as requested by the Company for safety reasons or to preserve system integrity; and
- (4) The Qualifying Facility shall coordinate scheduled outages with the Company; and
- (5) The Qualifying Facility shall comply with the reasonable requests of the Company regarding daily or hourly communications.

DELIVERY VOLTAGE ADJUSTMENT

Energy payments to Qualifying Facilities within the Company's service territory shall be adjusted according to the delivery voltage by the following multipliers:

<u>Delivery Voltage</u>	<u>Adjustment Factor</u>
Transmission Voltage Delivery	1.0000
Primary Voltage Delivery	1.0126
Secondary Voltage Delivery	1.0233

METERING REQUIREMENTS

Qualifying Facilities within the territory served by the Company shall be required to purchase from the Company hourly recording meters to measure their energy deliveries to the company. Energy purchases from Qualifying Facilities outside the territory served by the Company shall be measured as the quantities scheduled for interchange to the Company by the entity delivering Firm Capacity and Energy to the Company.

(Continued on Sheet No. 10.205)

(Continued from Sheet No. 10.209)

**APPENDIX B
FOR PURCHASE OF FIRM ENERGY AND CAPACITY
FROM QUALIFYING COGENERATION AND
SMALL POWER PRODUCTION FACILITIES
SCHEDULE COG-2**

NORMAL PAYMENT OPTION PARAMETERS

Where, for a one year deferral:	<u>Value</u>
VAC_m = utility's value of avoided capacity and O&M, in dollars per kilowatt per month, during month m;	5.98
C = a constant risk multiplier for the purpose of the utility's standard offer contract;	0.8
K = present value of carrying charge for one dollar of investment over L years with carrying charges assumed to be paid at the end of each year;	1.572
I_n = total direct and indirect cost, in dollars per kilowatt including AFUDC but excluding CWIP, of the statewide avoided unit with an in-service date of year n ;	721
O_n = total first year's fixed and variable operating and maintenance expense, less fuel and in dollars per kilowatt per year, of the statewide avoided unit deflated to the beginning of the year n by i_o ;	22.10
i_p = annual escalation rate associated with the plant cost of the statewide avoided unit;	5.4%
i_o = annual escalation rate associated with the operation and maintenance expense of the statewide avoided unit;	5.34%
r = annual discount rate, defined as the utility's incremental after tax cost of capital;	10.45%
L = expected life of the statewide avoided unit;	30
n = year for which the statewide avoided unit is deferred starting with its original anticipated in-service date and ending with the termination of the contract for the purchase of firm energy and capacity;	1993

EARLY PAYMENT OPTION PARAMETERS

A_m = monthly avoided capital cost component of capacity payments to be made to the Qualifying Facility starting as early as seven years prior to the anticipated in-service date of statewide avoided unit, in dollars per kilowatt per month;	2.79
i_p = annual escalation rate associated with the plant cost of the statewide avoided unit;	5.4%
n = year for which early capacity payments to a Qualifying Facility are made;	1990
F = the cumulative present value of the avoided capital cost component of capacity payments which would have been made had capacity payments commenced with the anticipated in-service date of the statewide avoided unit and continued for a period of 10 years;	333.40
r = Annual discount rate, defined as the utility's incremental after tax cost capital;	10.45%
t = the term, in years, of the contract for the purchase of firm capacity commencing prior to the in-service date of the statewide avoided unit.	13

**APPENDIX C
 STANDARD OFFER CONTRACT RATE
 FOR PURCHASE OF FIRM CAPACITY AND
 ENERGY FROM SOLID WASTE FACILITIES
 SCHEDULE COG-2**

APPLICABILITY

Appendix C contains special provisions for the purchase of Firm Capacity and Energy from Solid Waste Facilities as defined by FPSC Rule 25-17.091, F.A.C.

OPTION D - ADDITIONAL CAPACITY INCENTIVES

Except as provided in subsections (3) - (6) of Rule 25-17.091, F.A.C., the provisions of Rules 25-17.080 - 25.17.089, F.A.C. apply to contracts for the purchase of energy and capacity from a Solid Waste Facility as defined by Rule 25-17.091, F.A.C. The additional provisions of subsections (3) - (6) of Rule 25-17.091, F.A.C. provide for:

- a) Use of a constant risk multiplier of 1.0;
- b) At the election of the Solid Waste Facility, early payment of the operating and maintenance components of the capacity payments, up to a Commission designated number of years before the in-service date of the Statewide Avoided Unit(s), calculated in accordance with Rule 25-17.083(3), F.A.C.; and
- c) At the election of the Solid Waste Facility, either:
 - 1. Levelized capital payments computed in accordance with the Levelized Payment Calculation, or
 - 2. Early levelized capital payments up to a Commission-designated number of years before the in-service date of the Statewide Avoided Unit(s), computed in accordance with the Levelized Payment Calculation.

Located in the Advance Capacity Payment Section is an example calculation of the monthly capacity payments to the minimum contract term using a constant risk factor of 1.0, levelized and early levelized capital, and early O&M.

RATE FOR PURCHASES BY THE COMPANY:

Option D is available for payment of Firm Capacity which is produced by the Solid Waste Facility and delivered to the Company. Once selected, an option shall remain in effect for the term of the contract with the Company. While the minimum contract term is ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit(s), payment schedules for longer contract terms will be made available to a Solid Waste Facility upon request.

Levelized Payment Calculation

Levelized payments shall be calculated as follows:

$$P_L = \frac{F}{12} \times \frac{r}{1-(1+r)^{-t}}$$

Where:

- P_L = the monthly levelized capital portion of the capacity payment, starting no earlier than a Commission-designated number of years before the in-service date of the Statewide Avoided Unit(s);
- F = the cumulative present value, in the year that the contractual payments will begin, of the avoided capital cost component of capacity payments which would have been made had the capacity payments not been levelized;
- r = the annual discount rate, defined as the utility's incremental after tax cost of capital; and
- t = the term, in years, of the contract for the purchase of capacity from the Solid Waste Facility.

Payment schedules under this option are based on the value of a year-by-year deferral of the Statewide Avoided Unit(s) with an in-service date of January 1, 1993 calculated in accordance with FPSC Rule 25-17.091, F.A.C., as described above. Once this option is selected, the current schedule of payments shall remain fixed and in effect throughout the term of the contract with the Company.

(Continued on Sheet No. 10.212)

(Continued from Sheet No. 10.211)

The Solid Waste Facility shall select the month and year in which the delivery of Firm Capacity and Energy to the Company is to commence and capacity payments are to start. The Company will provide the Solid Waste Facility with a schedule of capacity payment rates based on the month and year in which the delivery of Firm Capacity and Energy are to commence and the term of the contract. At the request of the Solid Waste Facility, the Company will provide a payment schedule based on the minimum required contract term which must extend at least ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit(s). The currently approved parameters used to calculate the following schedule of payments are found in Appendix B of this schedule, except as superseded by those parameters found in Appendix C of this schedule.

Early O&M Payment Calculation

Early O&M payments are calculated consistent with the formula for early capacity payments contained in Appendix A.

Advance Capacity Payments Calculation

Payment schedules under this option are based on the value of a year-by-year deferral of the Statewide Avoided Unit(s) with an in-service date of January 1, 1993, calculated in accordance with FPSC Rules 25-17.083(3) and 25-17.091(7), F.A.C., as described in Appendices A and C. Once this option is selected, the schedule of payments shall remain fixed and in effect throughout the term of the contract with the Company.

The Solid Waste Facility shall select the month and year in which the delivery of Firm Capacity and Energy to the Company is to commence and capacity payments are to start. The Company will provide the Solid Waste Facility with a schedule of capacity payment rates based on the month and year in which the delivery of Firm Capacity and Energy is to commence and the term of the contract. The following exemplary payment schedule is based on the minimum required contract term which must extend at least ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit(s). The currently approved parameters used to calculate the following schedule of payments are found in Appendix B of this schedule except for as superseded by those parameters found in Appendix C of this schedule.

A solid waste facility may elect either advance capacity payments or normal capacity payments pursuant to FPSC Rule 25.17.083(3) and 25-17.091(7), F.A.C.

(Continued on Sheet No. 10.213)

(Continued from Sheet No. 10.212)

EXAMPLE CALCULATION OF
MONTHLY CAPACITY PAYMENTS IN \$/KW/MONTH
FOR PURCHASE OF FIRM CAPACITY FROM SOLID WASTE FACILITIES
ELECTING THE STAND OFFER CONTRACT SCHEDULE COG-2, OPTIONS
UNIT TYPE: 385 MW COMBINED CYCLE UNIT (IN-SERVICE 1993)
NO RISK FACTOR; EARLY O&M

Contract Year	Normal Payment Starting 01/01/93	Early Payment Starting		
		01/01/92	01/01/91	01/01/90
1989				
1990				\$ 5.12
1991			\$ 5.80	5.40
1992		\$ 6.58	6.11	5.69
1993	\$ 7.48	6.93	6.44	5.99
1994	7.88	7.31	6.79	6.32
1995	8.31	7.70	7.15	6.66
1996	8.76	8.12	7.54	7.01
1997	9.23	8.55	7.94	7.39
1998	9.72	9.01	8.37	7.79
1999	10.25	9.50	8.82	8.21
2000	10.80	10.01	9.30	8.65
2001	11.38	10.55	9.80	9.12
2002	11.99	11.12	10.33	9.61
2003	12.64	11.72	10.88	10.13
2004	13.32	12.35	11.47	10.67
2005	14.04	13.01	12.09	11.25
2006	14.80	13.71	12.74	11.85
2007	15.59	14.45	13.42	12.49
2008	16.43	15.23	14.15	13.16
2009	17.32	16.05	14.91	13.87
2010	18.25	16.91	15.71	14.62
2011	19.23	17.83	16.56	15.41
2012	20.27	18.79	17.45	16.24

(Continued on Sheet No. 10.214)

(Continued from Sheet No. 10.213)

1993 FPL COMBINED CYCLE UNIT (385 MW)
NO RISK FACTOR - LEVELIZED CAPITAL - EARLY O&M
AVOIDED CAPACITY PAYMENTS (\$/KW/MONTH)

Contract Year	Normal Payment Starting 01/01/93	Early Payment Option Starting		
		01/01/92	01/01/91	01/01/90
1989				
1990				\$ 7.15
1991			\$ 8.01	7.22
1992		\$ 8.99	8.08	7.28
1993	\$ 10.10	9.07	8.16	7.35
1994	10.19	9.16	8.24	7.43
1995	10.29	9.25	8.33	7.51
1996	10.40	9.34	8.41	7.59
1997	10.51	9.45	8.51	7.68
1998	10.62	9.55	8.61	7.77
1999	10.74	9.67	8.71	7.87
2000	10.87	9.78	8.82	7.97
2001	11.01	9.91	8.94	8.08
2002	11.15	10.04	9.06	8.19
2003	11.30	10.18	9.19	8.31
2004	11.46	10.33	9.33	8.44
2005	11.62	10.48	9.47	8.57
2006	11.80	10.64	9.62	8.71
2007	11.98	10.81	9.78	8.86
2008	12.18	10.99	9.95	9.02
2009	12.38	11.18	10.12	9.18
2010	12.60	11.38	10.31	9.35
2011	12.82	11.59	10.50	9.53
2012	13.06	11.81	10.71	9.73

SURETY BOND OR EQUIVALENT ASSURANCE REQUIREMENT

Section 377.709(4), Florida Statutes (1988), requires the local government(s) to refund early capacity payments should a Solid Waste Facility be abandoned, closed down or rendered illegal. Although the Company may not now require a surety bond or equivalent assurance of repayment as specified in Rule 25-17.083(3), F.A.C., a Solid Waste Facility may elect to provide such surety bond or equivalent assurance of repayment pursuant to Rule 25-17.091(6), F.A.C.

STANDARD RATE FOR PURCHASE OF FIRM CAPACITY AND ENERGY
FROM QUALIFYING COGENERATION AND
SMALL POWER PRODUCTION FACILITIES
(QUALIFYING FACILITIES)

SCHEDULE

COG-2, Firm Capacity and Energy

AVAILABLE

The Company will purchase Firm Capacity and Energy offered by any Qualifying Facility, irrespective of its location, which is either directly or indirectly interconnected with the Company under the provisions of this schedule. The Company will negotiate and may contract with any Qualifying Facility, irrespective of its location, which is either directly or indirectly interconnected with the Company for the purchase of Firm Capacity and Energy pursuant to terms and conditions which deviate from this schedule where such negotiated contracts are in the best interest of the Company's ratepayers. The Company's obligation to contract to purchase firm capacity from Qualifying Facilities (by negotiated or "Standard Offer" contracts) will continue only as long as, and to the extent, the 500 ~~Company's~~ 230 MW subscription limit as identified in the Florida Public Service Commission (FPSC) Order No. 17480 ~~22341~~, is not exceeded.

APPLICABLE

To any cogeneration or small power production Qualifying Facility, irrespective of its location, producing capacity and energy for sale to the Company on a firm basis pursuant to the terms and conditions of this schedule and the Company's "Standard Offer Contract" or a separately negotiated contract. Firm Capacity and Energy are described by the FPSC Rule 25-17.083, F.A.C., and are capacity and energy produced and sold by a Qualifying Facility pursuant to a negotiated or standard Company contract offer and subject to certain contractual provisions as to quantity, time, and reliability of delivery. Criteria for achieving Qualifying Facility status shall be those set out in FPSC Rule 25-17.080, F.A.C.

CHARACTER OF SERVICE

Purchases within the territory served by the Company shall be, at the option of the Company, single or three phase, 60 hertz, alternating current at any available standard Company voltage. Purchases from outside the territory served by the Company shall be three phase, 60 hertz, alternating current at the voltage level available at the interchange point between the Company and the entity delivering the Firm Energy and Capacity from the Qualifying Facility.

LIMITATION:

Purchases under this schedule are subject to the Company's "General Standards for Safety and Interconnection of Cogeneration and Small Power Production Facilities to the Electric Utility System" and to FPSC Rules 25-17.080 through 25-17.087, F.A.C., and are limited to those Qualifying Facilities which:

- A. Execute a Company "Standard Offer Contract" prior to January 1, 1993 ~~1991~~ for the Company's purchase of Firm Capacity and Energy; and
- B. Commit to commence deliveries of Firm Capacity and Energy no later than January 1, 1995 ~~1993~~ and to continue such deliveries through at least December 31, 2004 ~~2002~~.
- C. Provide capacity which would not result in the subscription limit for the Company on capacity deficit (500 ~~230~~ MW) as identified in the FPSC Order No. 17480 ~~22341~~ to be exceeded.

RATE FOR PURCHASES BY THE COMPANY:

Firm Capacity and Energy are purchased at a unit cost, in dollars per kilowatt per month and cents per kilowatt-hour, respectively, based on the value of deferring additional generating capacity in Florida. For the purpose of this schedule, a Statewide Avoided Unit has been designated by the FPSC. The next Statewide Avoided Unit has been identified as the Company's next "combined" cycle unit which and is considered to be one (1) 500 ~~385~~ MW coal-fired-generating combined cycle unit with an in-service date of January 1, 1995 ~~1993~~ as identified in the FPSC Order No. 17480 ~~22341~~. Appendix A of this schedule describes the methodology used to calculate payment schedules, general terms, and conditions applicable to the Company's "Standard Offer Contract" pursuant to FPSC Rules 25-17.080 through 25-17.087, F.A.C.

A. Firm Capacity Rates

Three options, A through C, as set forth below, are available for payment of Firm Capacity which is produced by the Qualifying Facility and delivered to the Company. Once selected, an option shall remain in effect for the term of the contract with the Company. Exemplary payment schedules, shown below, contain the monthly rate per kilowatt of Firm Capacity the Qualifying Facility has contractually committed to deliver to the Company

(Continued on Sheet No. 10.201)

(Continued from Sheet No. 10.200)

and are based on a minimum contract term which extends ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit (i.e., through December 31, 2004 2002). Payment schedules for longer contract terms will be made available to a Qualifying Facility upon request and may be calculated based on the methodologies described in Appendix A.

Solid Waste Facilities, as defined in FPSC Rule 25-17.091 F.A.C., may qualify for an incentive schedule of monthly capacity payments developed using the methodology described in Option D contained in Appendix C of this rate schedule.

Option A - Fixed Value of Deferral

Payment schedules under this option are based on the value of a year-by-year deferral of the Statewide Avoided Unit with an in-service date of January 1, 1995 1993, calculated in accordance with FPSC Rule 25-17.083 F.A.C., as described in Appendix A. Once this option is selected, the current schedule of payments shall remain fixed and in effect throughout the term of the "Standard Offer Contract".

The Qualifying Facility shall select the month and year in which the delivery of Firm Capacity and Energy to the Company is to commence and capacity payments are to start. The Company will provide the Qualifying Facility with a schedule of capacity payment rates based on the month and year in which the delivery of Firm Capacity and Energy are to commence and the term of the contract. The following exemplary payment schedule is based on the minimum required contract term which must extend at least ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit. The currently approved parameters used to calculate the following schedule of payments are found in Appendix B of this schedule.

MONTHLY CAPACITY PAYMENT IN \$/KW/MONTH

Contract Year	Normal Payment Option Starting	Early Payment Option Starting							
		1/1/94	1/1/93	1/1/92	1/1/91	1/1/90	1/1/89	1/1/88	
1/1/88	12/31/88								3.78
1/1/89	12/31/89							4.37	4.03
1/1/90	12/31/90						5.07	4.66	4.29
1/1/91	12/31/91					5.91	5.41	4.96	4.58
1/1/92	12/31/92			6.93	6.30	5.76	5.29	4.88	
1/1/93	12/31/93		8.17	7.39	6.72	6.14	5.64	5.20	
1/1/94	12/31/94	9.69	8.71	7.87	7.16	6.55	6.01	5.54	
1/1/95	12/31/95	16.04	14.77	13.72	12.83	12.08	11.42	10.85	10.35
1/1/96	12/31/96	17.06	15.71	14.58	13.64	12.83	12.13	11.52	10.99
1/1/97	12/31/97	18.13	16.69	15.50	14.49	13.63	12.88	12.23	11.66
1/1/98	12/31/98	19.28	17.75	16.47	15.40	14.48	13.69	12.99	12.39
1/1/99	12/31/99	20.50	18.86	17.51	16.36	15.38	14.53	13.80	13.15
1/1/00	12/31/00	21.80	20.06	18.61	17.39	16.34	15.44	14.65	13.96
1/1/01	12/31/01	23.18	21.32	19.78	18.48	17.37	16.40	15.57	14.83
1/1/02	12/31/02	24.65	22.66	21.02	19.63	18.45	17.42	16.53	15.74
1/1/03	12/31/03	26.20	24.09	22.34	20.86	19.59	18.50	17.55	16.71
1/1/04	12/31/04	27.86	25.61	23.74	22.16	20.81	19.65	18.63	17.74

(For illustrative purposes only, the legislative format for this table appears on sheet 10.201b)

MONTHLY CAPACITY PAYMENT IN \$/KW/MONTH
1993 FPL COMBINED CYCLE UNIT (385 MW)
STANDARD OFFER - 0.8 RISK FACTOR
AVOIDED CAPACITY PAYMENTS (\$/KW/MONTH)

<u>Contract</u> <u>Year</u>	<u>Normal Payment</u>	<u>Early Payment Starting</u>		
	<u>Starting</u> <u>01/01/93</u>	<u>01/01/92</u>	<u>01/01/91</u>	<u>01/01/90</u>
<u>1989</u>				
<u>1990</u>				<u>\$ 3.13</u>
<u>1991</u>			<u>\$ 3.55</u>	<u>3.30</u>
<u>1992</u>		<u>\$ 4.03</u>	<u>3.74</u>	<u>3.48</u>
<u>1993</u>	<u>\$ 5.98</u>	<u>5.65</u>	<u>5.35</u>	<u>5.07</u>
<u>1994</u>	<u>6.31</u>	<u>5.95</u>	<u>5.64</u>	<u>5.35</u>
<u>1995</u>	<u>6.65</u>	<u>6.27</u>	<u>5.94</u>	<u>5.64</u>
<u>1996</u>	<u>7.00</u>	<u>6.61</u>	<u>6.26</u>	<u>5.94</u>
<u>1997</u>	<u>7.38</u>	<u>6.97</u>	<u>6.60</u>	<u>6.26</u>
<u>1998</u>	<u>7.78</u>	<u>7.34</u>	<u>6.95</u>	<u>6.60</u>
<u>1999</u>	<u>8.20</u>	<u>7.74</u>	<u>7.33</u>	<u>6.95</u>
<u>2000</u>	<u>8.64</u>	<u>8.16</u>	<u>7.72</u>	<u>7.32</u>
<u>2001</u>	<u>9.11</u>	<u>8.60</u>	<u>8.14</u>	<u>7.72</u>
<u>2002</u>	<u>9.60</u>	<u>9.06</u>	<u>8.57</u>	<u>8.13</u>
<u>2003</u>	<u>10.11</u>	<u>9.55</u>	<u>9.04</u>	<u>8.57</u>
<u>2004</u>	<u>10.66</u>	<u>10.06</u>	<u>9.52</u>	<u>9.03</u>
<u>2005</u>	<u>11.23</u>	<u>10.60</u>	<u>10.03</u>	<u>9.52</u>
<u>2006</u>	<u>11.84</u>	<u>11.17</u>	<u>10.58</u>	<u>10.03</u>
<u>2007</u>	<u>12.47</u>	<u>11.77</u>	<u>11.14</u>	<u>10.57</u>
<u>2008</u>	<u>13.15</u>	<u>12.41</u>	<u>11.74</u>	<u>11.14</u>
<u>2009</u>	<u>13.85</u>	<u>13.08</u>	<u>12.38</u>	<u>11.74</u>
<u>2010</u>	<u>14.60</u>	<u>13.78</u>	<u>13.04</u>	<u>12.37</u>
<u>2011</u>	<u>15.39</u>	<u>14.52</u>	<u>13.75</u>	<u>13.04</u>
<u>2012</u>	<u>16.21</u>	<u>15.31</u>	<u>14.49</u>	<u>13.74</u>

(Continued on Sheet No. 10.202)

(Continued from Sheet No. 10.201)

Option B - Variable Value of Deferral

The payment schedule under this option is based on the value of deferral of a statewide avoided unit with an in-service date of January 1, ~~1995~~ 1993. Once this option is selected, the unit designation and its in-service date shall remain fixed for the term of the contract. The value of deferral shall be recalculated annually and the payment schedule shall be adjusted, upon approval by the FPSC, to reflect the most recent factors affecting the cost of constructing the Statewide Avoided Unit. The Qualifying Facility shall select the month and year in which the delivery of Firm Capacity and Energy to the Company is to commence and capacity payments are to start pursuant to this option.

The methodology used to determine the level of payment each year is the same as that used in Option A of this schedule and is described in Appendix A. For informational purposes only, the current projection of payments are those contained in Option A above.

Option C - Average Embedded Book Cost of Fossil Steam Production Plant

Monthly payment made under this option shall be based on the Company's current average embedded book cost of fossil steam production plant approved by the FPSC and in effect in the year payment is made.

The following monthly payment schedule is provided for informational purposes only. It reflects the Company's current projection of payments.

PROJECTED MONTHLY CAPACITY PAYMENT RATE - \$/KW/MONTH

<u>1988</u> — <u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
3.94 — 4.23	4.35	4.43	4.51	4.61	4.70	4.71	5.86
<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u> — <u>2004</u>	
5.91	6.21	6.22	6.49	8.09	8.14	8.20 — 8.79	

(Continued on Sheet No. 10.203)

(Continued from Sheet No. 10.202)

B. Energy Rates

(1) Payments Prior to January 1, 1995 1993:

The energy rate, in cents per kilowatt-hour (¢/KWH), shall be based on the Company's actual hourly avoided energy costs which are calculated by the Company in accordance with FPSC Rule 25-17.0825, F.A.C. Avoided energy costs include incremental fuel, identifiable operation and maintenance expenses, and an adjustment for line losses reflecting delivery voltage. The calculation of the Company's avoided energy costs reflects the delivery of energy to the region of the Company in which the Qualifying Facility is located. Energy payments to Qualifying Facilities located outside the Company's service territory reflect the region in which the interchange point for the delivery of energy is located. When economy transactions take place, the incremental costs are calculated after the purchase or before the sale of the economy energy.

The calculation of payments to the Qualifying Facility shall be based on the sum, over all hours of the billing period, of the product of each hour's avoided energy cost times the purchases by the Company for that hour. All purchases shall be adjusted for losses from the point of metering to the point of interconnection.

(2) Payments Starting on January 1, 1995 1993:

The energy rate, in cents per kilowatt-hour (¢/KWH), shall be the lesser of an hour-by-hour comparison of: (a) the fuel component of the Company's avoided energy costs calculated in accordance with Rule 25-17.0825 F.A.C.; and (b) the Statewide Avoided Unit Fuel Cost. The Statewide Avoided Unit Fuel Cost, in cents per kilowatt-hour (¢/KWH) shall be defined as the product of: (a) the average monthly inventory charge-out price of coal burned at Tampa Electric Company's Big Bend Unit No. 4, natural gas and/or oil (as reported on the Company's Fuel Cost Recovery A-5 Schedule) consumed at the Company's Putnam Site Combined-Cycle Units, in cents per million Btu; and (b) an average annual heat rate of 9.79 7.62 million Btu per megawatt-hour based on FPL's 1993 385 MW combined cycle unit .

Calculations of payments to the Qualifying Facility shall be based on the sum, over all hours of the billing period, of the product of each hour's avoided energy cost times the purchases by the Company for that hour. All purchases shall be adjusted for losses from the point of metering to the point of interconnection.

ESTIMATED FIRM ENERGY COST

For informational purposes only, the estimated incremental avoided energy costs for the next four semi-annual periods are as follows. In addition, avoided energy cost payments will include .006¢/KWH for variable operation and maintenance expenses.

Applicable Period	On-Peak ¢/KWH	Off-Peak ¢/KWH	Average ¢/KWH
October 1, 1989 - March 31, 1990	2.76	2.17	2.31
April 1, 1990 - September 30, 1990	3.43	2.45	2.71
October 1, 1990 - March 31, 1991	3.06	2.29	2.48
April 1, 1991- September 30, 1991	4.15	2.50	2.94

A MW block size ranging from 249 MW to 448.6 MW has been used to calculate the estimated avoided energy cost.

The estimated avoided fuel costs associated with the Statewide Avoided Unit are as follows:

¢/KWH									
<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
2.48	2.60	2.74	2.88	3.06	3.26	3.47	3.69	3.92	4.17
<u>2.77</u>	<u>3.19</u>	<u>3.58</u>	<u>4.03</u>	<u>4.49</u>	<u>4.95</u>	<u>5.40</u>	<u>5.84</u>	<u>6.16</u>	<u>6.52</u>

*Based on current estimates of the delivered price of coal to the Tampa Electric Company, Big Bend No. 4 coal unit delivered cost of natural gas to the Company's Putnam Site Combined Cycle Units.

(Continued on Sheet No. 10.204)

(Continued from Sheet No. 10.203)

PERFORMANCE CRITERIA

Payments for Firm Capacity are conditioned on the Qualifying Facility's ability to maintain the following performance criteria:

A. Commercial In-Service Date

Capacity payments shall not commence until the Qualifying Facility has attained and demonstrated commercial in-service status. The commercial in-service date of a Qualifying Facility shall be defined as the first day of the month following the successful completion of the Qualifying Facility maintaining an hourly kilowatt (KW) output, as metered at the point of interconnection with the Company, equal to or greater than the Qualifying Facility's "Standard Offer Contract" committed capacity for a 24 hour period. A Qualifying Facility shall coordinate the selection of and operation of its facility during this test period with the Company to insure that the performance of its facility during this 24 hour period is reflective of the anticipated day to day operation of the Qualifying Facility.

B. Capacity Factor

Upon achieving commercial in-service status, payments for Firm Capacity shall be made monthly in accordance with the capacity payment rate option selected by the Qualifying Facility and subject to the provision that the Qualifying Facility maintains a 70% capacity factor on a 12 month rolling average basis as defined in Appendix A. Failure to achieve this capacity factor shall result in the Qualifying Facility's forfeiture of payments for Firm Capacity during the month in which such failure occurs. Where early capacity payments have been elected and starting with the month of January 1995 ~~3~~, failure of a Qualifying Facility to maintain a 70% capacity factor on a 12 month rolling average basis shall also result in payments by the Qualifying Facility to the Company. The amount of such payments shall be equal to the difference between: (1) what the Qualifying Facility would have been paid had it elected the normal payment option starting January 1995 ~~3~~; and (2) what it would have been paid pursuant to the early payment option had it maintained the capacity factor performance criteria.

All capacity payments made by the Company prior to January 1, 1995 ~~3~~ are considered "early payments". The owner or operator of the Qualifying Facility, as designated by the Company, shall secure its obligation to repay, with interest, the cumulative amount of early capacity payments in the event the Qualifying Facility defaults under the terms of its "Standard Offer Contract" with the Company. The Company will provide monthly summaries of the total outstanding balance of such security obligations. A summary of the types of security instruments which are generally acceptable to the Company is discussed in Appendix A.

C. Additional Criteria

- (1) The Qualifying Facility shall provide monthly generation estimates by October 1 for the next calendar year; and
- (2) The Qualifying Facility shall promptly update its yearly generation schedule when any changes are determined necessary; and
- (3) The Qualifying Facility shall agree to reduce generation or take other appropriate action as requested by the Company for safety reasons or to preserve system integrity; and
- (4) The Qualifying Facility shall coordinate scheduled outages with the Company; and
- (5) The Qualifying Facility shall comply with the reasonable requests of the Company regarding daily or hourly communications.

DELIVERY VOLTAGE ADJUSTMENT

Energy payments to Qualifying Facilities within the Company's service territory shall be adjusted according to the delivery voltage by the following multipliers:

<u>Delivery Voltage</u>	<u>Adjustment Factor</u>
Transmission Voltage Delivery	1.0000
Primary Voltage Delivery	1.0126
Secondary Voltage Delivery	1.0233

METERING REQUIREMENTS

Qualifying Facilities within the territory served by the Company shall be required to purchase from the Company hourly recording meters to measure their energy deliveries to the company. Energy purchases from Qualifying Facilities outside the territory served by the Company shall be measured as the quantities scheduled for interchange to the Company by the entity delivering Firm Capacity and Energy to the Company.

(Continued on Sheet No. 10.205)

(Continued from Sheet No. 10.209)

APPENDIX B
 FOR PURCHASE OF FIRM ENERGY AND CAPACITY
 FROM QUALIFYING COGENERATION AND
 SMALL POWER PRODUCTION FACILITIES
 SCHEDULE COG-2

NORMAL PAYMENT OPTION PARAMETERS

Where, for a one year deferral:		Value
VAC_m	= utility's value of avoided capacity and O&M, in dollars per kilowatt per month, during month m;	<u>5.98</u> 16.04
C	= a constant risk multiplier for the purpose of the utility's standard offer contract offer;	0.8
K	= present value of carrying charge for one dollar of investment over L years with carrying charges assumed to be paid at the end of each year;	<u>1.572</u> 1.4885
I_n	= total direct and indirect cost, in dollars per kilowatt including AFUDC but excluding CWIP, of the statewide avoided unit with an in-service date of year n;	<u>721</u> 2137
O_n	= total first year's fixed and variable operating and maintenance expense, less fuel and and in dollars per kilowatt per year, of the statewide avoided unit deflated to the beginning of the year n by i_o ;	<u>22.10</u> 69.80
i_p	= annual escalation rate associated with the plant cost of the statewide avoided unit;	<u>5.4</u> 6.6%
i_o	= annual escalation rate associated with the operation and maintenance expense of the statewide avoided unit;	<u>5.34</u> 5.6%
r	= annual discount rate, defined as the utility's incremental after tax cost of capital;	<u>10.45</u> 10.72%
L	= expected life of the statewide avoided unit;	30
n	= year for which the statewide avoided unit is deferred starting with its original anticipated in-service date and ending with the termination of the contract for the purchase of firm energy and capacity;	<u>1993</u> 1995

EARLY PAYMENT OPTION PARAMETERS

A_m	= monthly avoided capital cost component of capacity payments to be made to the Qualifying Facility starting as early as seven years prior to the anticipated in-service date of statewide avoided unit, in dollars per kilowatt per month;	<u>2.79</u> 3.78
i_p	= annual escalation rate associated with the plant cost of the statewide avoided unit;	<u>5.4</u> 6.6%
n	= year for which early capacity payments to a Qualifying Facility are made;	<u>1990</u> 1988
F	= the cumulative present value of the avoided capital cost component of capacity payments which would have been made had capacity payments commenced with the anticipated in-service date of the statewide avoided unit and continued for a period of 10 years;	<u>333.40</u> 578.79
r	= Annual discount rate, defined as the utility's incremental after tax cost capital;	<u>10.45</u> 10.72%
t	= the term, in years, of the contract for the purchase of firm capacity commencing prior to the in-service date of the statewide avoided unit.	<u>13</u> 17

APPENDIX C
 STANDARD OFFER CONTRACT RATE
 FOR PURCHASE OF FIRM CAPACITY AND
 ENERGY FROM SOLID WASTE FACILITIES
 SCHEDULE COG-2

APPLICABILITY

Appendix C contains special provisions for the purchase of Firm Capacity and Energy from Solid Waste Facilities as defined by FPSC Rule 25-17.091, F.A.C.

OPTION D - ADDITIONAL CAPACITY INCENTIVES

Except as provided in subsections (3) - (6) of Rule 25-17.091, F.A.C., the provisions of Rules 25-17.080 - 25.17.089, F.A.C. apply to contracts for the purchase of energy and capacity from a Solid Waste Facility as defined by Rule 25-17.091, F.A.C. The additional provisions of subsections (3) - (6) of Rule 25-17.091, F.A.C. provide for:

- a) Use of a constant risk multiplier of 1.0;
- b) At the election of the Solid Waste Facility, early payment of the operating and maintenance components of the capacity payments, up to a Commission designated number of years before the in-service date of the Statewide Avoided Unit(s), calculated in accordance with Rule 25-17.083(3), F.A.C.; and
- c) At the election of the Solid Waste Facility, either:
 - 1. Levelized capital payments computed in accordance with the Levelized Payment Calculation, or
 - 2. Early levelized capital payments up to a Commission-designated number of years before the in-service date of the Statewide Avoided Unit(s), computed in accordance with the Levelized Payment Calculation.

Located in the Advance Capacity Payment Section is an example calculation of the monthly capacity payments to the minimum contract term using a constant risk factor of 1.0, levelized and early levelized capital, and early O&M.

RATE FOR PURCHASES BY THE COMPANY:

Option D is available for payment of Firm Capacity which is produced by the Solid Waste Facility and delivered to the Company. Once selected, an option shall remain in effect for the term of the contract with the Company. While the minimum contract term is ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit(s), payment schedules for longer contract terms will be made available to a Solid Waste Facility upon request.

Levelized Payment Calculation

Levelized payments shall be calculated as follows:

$$P_L = \frac{F}{12} \times \frac{r}{1-(1+r)^{-t}}$$

Where:

- P_L = the monthly levelized capital portion of the capacity payment, starting no earlier than a Commission-designated number of years before the in-service date of the Statewide Avoided Unit(s);
- F = the cumulative present value, in the year that the contractual payments will begin, of the avoided capital cost component of capacity payments which would have been made had the capacity payments not been levelized;
- r = the annual discount rate, defined as the utility's incremental after tax cost of capital; and
- t = the term, in years, of the contract for the purchase of capacity from the Solid Waste Facility.

Payment schedules under this option are based on the value of a year-by-year deferral of the Statewide Avoided Unit(s) with an in-service date of January 1, 1995 1993 calculated in accordance with FPSC Rule 25-17.091, F.A.C., as described above. Once this option is selected, the current schedule of payments shall remain fixed and in effect throughout the term of the contract with the Company.

(Continued on Sheet No. 10.212)

(Continued from Sheet No. 10.211)

The Solid Waste Facility shall select the month and year in which the delivery of Firm Capacity and Energy to the Company is to commence and capacity payments are to start. The Company will provide the Solid Waste Facility with a schedule of capacity payment rates based on the month and year in which the delivery of Firm Capacity and Energy are to commence and the term of the contract. At the request of the Solid Waste Facility, the Company will provide a payment schedule based on the minimum required contract term which must extend at least ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit(s). The currently approved parameters used to calculate the following schedule of payments are found in Appendix B of this schedule, except as superseded by those parameters found in Appendix C of this schedule.

Early O&M Payment Calculation

Early O&M payments are calculated consistent with the formula for early capacity payments contained in Appendix A.

Advance Capacity Payments Calculation

Payment schedules under this option are based on the value of a year-by-year deferral of the Statewide Avoided Unit(s) with an in-service date of January 1, 1995 1993, calculated in accordance with FPSC Rules 25-17.083(3) and 25-17.091(7), F.A.C., as described in Appendices A and C. Once this option is selected, the schedule of payments shall remain fixed and in effect throughout the term of the contract with the Company.

The Solid Waste Facility shall select the month and year in which the delivery of Firm Capacity and Energy to the Company is to commence and capacity payments are to start. The Company will provide the Solid Waste Facility with a schedule of capacity payment rates based on the month and year in which the delivery of Firm Capacity and Energy is to commence and the term of the contract. The following exemplary payment schedule is based on the minimum required contract term which must extend at least ten (10) years beyond the anticipated in-service date of the Statewide Avoided Unit(s). The currently approved parameters used to calculate the following schedule of payments are found in Appendix B of this schedule except for as superseded by those parameters found in Appendix C of this schedule.

A solid waste facility may elect either advance capacity payments or normal capacity payments pursuant to FPSC Rule 25.17.083(3) and 25-17.091(7), F.A.C.

**EXAMPLE CALCULATION OF
 MONTHLY CAPACITY PAYMENT IN \$/KW/MONTH
 FOR PURCHASE OF FIRM CAPACITY FROM SOLID WASTE FACILITIES
 ELECTING THE STANDARD OFFER CONTRACT SCHEDULE COG-2, OPTIONS
 UNIT TYPE: 500 MW COAL UNIT (IN-SERVICE 1995)
 NO RISK FACTOR; LEVELIZED CAPITAL; EARLY O&M**

Contract Year		Normal Payment Option Starting	Early Payment Option Starting						
From	To		1/1/95	1/1/94	1/1/93	1/1/92	1/1/91	1/1/90	1/1/89
1/1/89	12/31/89	-	-	-	-	-	-	-	10.19
1/1/90	12/31/90	-	-	-	-	-	-	11.62	10.31
1/1/91	12/31/91	-	-	-	-	13.32	-	11.76	10.43
1/1/92	12/31/92	-	-	-	15.32	13.48	-	11.91	10.57
1/1/93	12/31/93	-	-	17.72	15.51	13.65	-	12.06	10.71
1/1/94	12/31/94	-	20.64	17.95	15.71	13.83	-	12.23	10.86
1/1/95	12/31/95	24.21	20.90	18.18	15.92	14.02	-	12.40	11.01
1/1/96	12/31/96	24.52	21.17	18.42	16.14	14.22	-	12.58	11.18
1/1/97	12/31/97	24.85	21.46	18.68	16.37	14.43	-	12.77	11.36
1/1/98	12/31/98	25.19	21.77	18.96	16.62	14.65	-	12.98	11.54
1/1/99	12/31/99	25.56	22.09	19.25	16.88	14.89	-	13.19	11.74
1/1/00	12/31/00	25.95	22.44	19.55	17.15	15.13	-	13.42	11.94
1/1/01	12/31/01	26.35	22.80	19.88	17.44	15.40	-	13.65	12.16
1/1/02	12/31/02	26.79	23.18	20.22	17.75	15.67	-	13.91	12.39
1/1/03	12/31/03	27.24	23.58	20.58	18.08	15.97	-	14.17	12.63
1/1/04	12/31/04	27.72	24.01	20.96	18.42	16.28	-	14.45	12.89

(Continued on Sheet No. 10.213)

(Continued from Sheet No. 10.212)

**EXAMPLE CALCULATION OF
 MONTHLY CAPACITY PAYMENTS IN \$/KW/MONTH
 FOR PURCHASE OF FIRM CAPACITY FROM SOLID WASTE FACILITIES
 ELECTING THE STAND OFFER CONTRACT SCHEDULE COG-2 OPTIONS
 UNIT TYPE: 500 MW COAL UNIT (IN-SERVICE 1995) 385 MW COMBINED CYCLE UNIT (IN-SERVICE 1993)
 NO RISK FACTOR; EARLY O&M**

Contract Year	Normal Payment Starting 01/01/93	Early Payment Starting		
		01/01/92	01/01/91	01/01/90
1989				
1990				\$ 5.12
1991			\$ 5.80	5.40
1992		\$ 6.58	6.11	5.69
1993	\$ 7.48	6.93	6.44	5.99
1994	7.88	7.31	6.79	6.32
1995	8.31	7.70	7.15	6.66
1996	8.76	8.12	7.54	7.01
1997	9.23	8.55	7.94	7.39
1998	9.72	9.01	8.37	7.79
1999	10.25	9.50	8.82	8.21
2000	10.80	10.01	9.30	8.65
2001	11.38	10.55	9.80	9.12
2002	11.99	11.12	10.33	9.61
2003	12.64	11.72	10.88	10.13
2004	13.32	12.35	11.47	10.67
2005	14.04	13.01	12.09	11.25
2006	14.80	13.71	12.74	11.85
2007	15.59	14.45	13.42	12.49
2008	16.43	15.23	14.15	13.16
2009	17.32	16.05	14.91	13.87
2010	18.25	16.91	15.71	14.62
2011	19.23	17.83	16.56	15.41
2012	20.27	18.79	17.45	16.24

SURETY BOND OR EQUIVALENT ASSURANCE REQUIREMENT

Section 377.709(4), Florida Statutes (1988), requires the local government(s) to refund early capacity payments should a Solid Waste Facility be abandoned, closed down or rendered illegal. Although the Company may not now require a surety bond or equivalent assurance of repayment as specified in Rule 25-17.083(3), F.A.C., a Solid Waste Facility may elect to provide such surety bond or equivalent assurance of repayment pursuant to Rule 25-17.091(6), F.A.C.

(Continued on Sheet No. 10.214)

(Continued from Sheet No. 10.213)

**1993 FPL COMBINED CYCLE UNIT (385 MW)
NO RISK FACTOR - LEVELIZED CAPITAL - EARLY O&M
AVOIDED CAPACITY PAYMENTS (\$/KW/MONTH)**

Contract Year	Normal Payment Starting 01/01/93	Early Payment Option Starting		
		01/01/92	01/01/91	01/01/90
1989				
1990				\$ 7.15
1991			\$ 8.01	7.22
1992		\$ 8.99	8.08	7.28
1993	\$ 10.10	9.07	8.16	7.35
1994	10.19	9.16	8.24	7.43
1995	10.29	9.25	8.33	7.51
1996	10.40	9.34	8.41	7.59
1997	10.51	9.45	8.51	7.68
1998	10.62	9.55	8.61	7.77
1999	10.74	9.67	8.71	7.87
2000	10.87	9.78	8.82	7.97
2001	11.01	9.91	8.94	8.08
2002	11.15	10.04	9.06	8.19
2003	11.30	10.18	9.19	8.31
2004	11.46	10.33	9.33	8.44
2005	11.62	10.48	9.47	8.57
2006	11.80	10.64	9.62	8.71
2007	11.98	10.81	9.78	8.86
2008	12.18	10.99	9.95	9.02
2009	12.38	11.18	10.12	9.18
2010	12.60	11.38	10.31	9.35
2011	12.82	11.59	10.50	9.53
2012	13.06	11.81	10.71	9.73

SURETY BOND OR EQUIVALENT ASSURANCE REQUIREMENT

Section 377.709(4), Florida Statutes (1988), requires the local government(s) to refund early capacity payments should a Solid Waste Facility be abandoned, closed down or rendered illegal. Although the Company may not now require a surety bond or equivalent assurance of repayment as specified in Rule 25-17.083(3), F.A.C., a Solid Waste Facility may elect to provide such surety bond or equivalent assurance of repayment pursuant to Rule 25-17.091(6), F.A.C.