

**Steel Hector & Davis**

Miami, Florida

John T. Butler  
(305) 577-2939

VIA FEDERAL EXPRESS

October 30, 1990

**ORIGINAL  
FILE COPY**

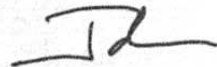
Mr. Steve C. Tribble, Director  
Division of Records and Reporting  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee, FL 32301

Re: Docket No. 900796-EI

Dear Mr. Tribble:

I am enclosing for filing in the above docket the original and fifteen (15) copies of Florida Power & Light Company's Preliminary List of Issues.

Very truly yours,



John T. Butler

JTB:565

Enclosure

cc: Parties of Record

- ACK
- AFA   /
- APP
- CAF
- CMU
- CTR
- EAG**
- LEG   /
- LIN   6
- OPC
- RCH
- SEC   /
- WAS
- OTH

DOCUMENT NUMBER-DATE  
09788 OCT 31 1990  
FPSC-RECORDS/REPORTING

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4000 Southeast Financial Center  
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Tallahassee, FL 32301-1848  
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Power & Light Company for inclusion of the Scherer Unit No. 4 purchase in rate base, including an acquisition adjustment. ) DOCKET NO. 900796-EI ) FILED: 10/31/90 )

FLORIDA POWER & LIGHT COMPANY'S  
PRELIMINARY LIST OF ISSUES

FLORIDA POWER & LIGHT COMPANY ("FPL") hereby submits its preliminary list of issues to be taken up at the hearing scheduled to commence on December 11, 1990 in the above docket.

**ISSUE NO. 1:** Under what circumstances should the portion of the purchase price of assets in excess of book value (the "acquisition adjustment") be given "rate base treatment," such that amortization may be included in operating expenses and the unamortized acquisition adjustment may be included in rate base?

**FPL POSITION:** Rate base treatment is appropriate when the asset is useful to the acquiring utility in providing service to its customers, and acquisition of the asset results in benefits to those customers in comparison to the available alternatives. (Witness: Gower)

**ISSUE NO. 2:** Should the Scherer Unit No. 4 acquisition adjustment be given rate base treatment?

**FPL POSITION:** Yes, it should. The facility will be useful in meeting the needs of FPL's customers, and the facility provides benefits to those customers in comparison to the available alternatives. (Witnesses: Woody, Cepero, Denis, Waters, Gower)

DOCUMENT NUMBER-DATE

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STEEL HECTOR & DAVIS, MIAMI, FLORIDA

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**ISSUE NO. 3:** Is the acquisition of an undivided ownership interest in Scherer Unit No. 4 a reasonable and prudent investment necessary to enable FPL to meet its forecast 1996 system load requirements?

**FPL POSITION:** Yes, it is. (Witnesses: Woody, Cepero, Denis, Waters, Gower)

**ISSUE NO. 4:** Should FPL be authorized to include the purchase price of its undivided share of Scherer Unit No. 4, including the acquisition adjustment, in rate base?

**FPL POSITION:** Yes, it should. FPL estimates that the total purchase price, including the acquisition adjustment, will be \$615,504,000. This purchase will be made in a series of installments, each of which should be included in rate base when completed. (Witnesses: Woody, Cepero, Denis, Waters, Gower)

Respectfully submitted,

STEEL HECTOR & DAVIS  
4000 Southeast Financial Center  
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(305) 577-2800

Attorneys for Florida Power &  
Light Company

By: 

Matthew M. Childs, P.A.

John T. Butler

DOCKET NO. 900796-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Florida Power & Light Company's Preliminary List of Issues has been served by U.S. Mail this 30th day of October, 1990 on the following:

Frederick J. Murrell, Esquire  
Schroder & Murrell  
The Barnett Center Suite 375  
1001 Third Avenue West  
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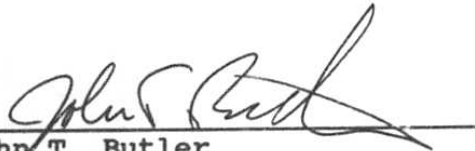
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John T. Butler

JTB:564