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FILED

February 25, 1994

Mr. Steve Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399

RE: DOCKET NO. 940001-EI

Dear Mr. Tribble:

Enclosed for filing please find the original and fifteen (15) copies of Florida Power & Light Company's Prehearing Statement in the above referenced docket.

Also enclosed is a formatted double sided high density 3.5 inch diskette containing the Prehearing Statement for Florida Power & Light Company.

Respectfully submitted,

Matthew M. Childs, P.A.

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- AFA 5
- APP _____
- CAF _____
- CDJ _____
- CJR _____
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL
FILE COPY

IN RE: Investigation Of Fuel)
Cost Recovery Clauses Of)
Electric Companies)

DOCKET NO. 940001-EI

FILED: FEBRUARY 25, 1994

FLORIDA POWER & LIGHT COMPANY'S
PREHEARING STATEMENT

Pursuant to Order No. PSC-94-0067-PCO-EI, issued January 21, 1994, establishing the prehearing procedure in this docket, Florida Power & Light Company ("FPL") hereby submits its Prehearing Statement.

A. APPEARANCES

 M. Childs, P.A.
Steel Hector & Davis
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Tallahassee, FL 32301

B. WITNESSES

<u>WITNESS</u>	<u>SUBJECT MATTER</u>	<u>ISSUES</u>
R. SILVA D. C. POTERALSKI B. T. BIRKETT	Fuel Adjustment, True-Up and Projections	1,2,3 4,5,6, 6a
R. SILVA	GPIF, True-Up and Projections	7,8
B. T. BIRKETT	Oil Backout, True-Up and Projections	9,10,11, 12
B. T. BIRKETT	Capacity Cost Recovery, True-Up and Projections	13,14,15, 16

C. EXHIBITS

<u>EXHIBITS</u>	<u>WITNESS</u>	<u>DESCRIPTION</u>
(BTB-1)	B. T. BIRKETT	Appendix I/Fuel Cost Recovery True-Up Calculation
(BTB-2)	B. T. BIRKETT	Appendix II/Capacity Cost Recovery True-Up Calculation
(BTB-3)	B. T. BIRKETT	Appendix III/Oil Backout Cost Recovery True-Up Calculation
(BTB-4)	B. T. BIRKETT	Appendix IV/A Schedules October 1992 - March 1993
(RS-1)	R. SILVA	Appendix I/Fuel Cost Recovery Forecast Assumptions
(BTB-5)	B. T. BIRKETT	Appendix II/Fuel Cost Recovery Calculation of Factor
(BTB-6)	B. T. BIRKETT	Appendix III/Fuel Cost Recovery Estimated/Actual True-Up Calculation
(BTB-7)	B. T. BIRKETT	Appendix IV/Capacity Cost Recovery Calculation of Factors
(BTB-8)	B. T. BIRKETT	Appendix V/Oil Backout Cost Recovery Calculation of Factor
(RS-2)	R. SILVA	Document No. 1/GPIF Results
(RS-3)	R. SILVA	Document No. 1/GPIF Targets and Ranges
(BTB-9)	B. T. BIRKETT	Appendix II, Fuel Cost Recovery, Calculation of Factor - Revised
(BTB-10)	B. T. BIRKETT	Appendix III, Fuel Cost Recover Estimated/Actual True-Up Calculation - Revised

D. STATEMENT OF BASIC POSITION

None Necessary.

E. STATEMENT OF ISSUES AND POSITIONS

FUEL ADJUSTMENT ISSUES

1. What is the final fuel true-up amount for the period April 1, 1993 through September 30, 1993?

FPL: \$54,419,628 overrecovery. (BIRKETT)

2. What is the estimated/actual fuel true-up amount for the period October 1, 1993 through March 31, 1994 which are based upon two months actual and four months revised estimates?

FPL: \$57,093,363 overrecovery. (BIRKETT)

3. What is the total fuel true-up to be collected during the period April 1, 1994 through September 30, 1994?

FPL: \$111,512,991 overrecovery. (BIRKETT)

4. What should be the effective date of the new fuel adjustment charge, oil backout cost recovery charge, conservation cost recovery charge, and capacity cost recovery charge for billing purposes?

FPL: The Company is requesting that these new charges become effective starting with meter readings scheduled to be read on or after April 1, 1994 (Cycle Day 3) and continue through September 30, 1994 (Cycle Day 2). Billing cycles may start before April 1, 1994, and the last cycle may be read after September 30, 1994, so that each customer is billed for six months regardless of when the adjustment factor became effective. (BIRKETT)

5. What are the appropriate levelized fuel adjustment factors for the period April 1, 1994 through September 30, 1994?

FPL: 1.590 cents/kwh is the levelized recovery charge for non-time differentiated rates and 1.737 cents/kwh and 1.517 cents/kwh are the levelized fuel recovery charges for the on-peak and off-peak periods, respectively, for the differentiated rates. (BIRKETT)

6. What are the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses?

FPL:

GROUP	RATE SCHEDULE	FUEL RECOVERY LOSS MULTIPLIER	FUEL RECOVERY FACTOR
A	RS-1,GS-1,SL-2	1.00161	1.593
A-1*	SL-1,OL-1	1.00161	1.554
B	GSD-1	1.00155	1.593
C	GSLD-1 & CS-1	1.00046	1.591
D	GSLD-2,CS-2,OS-2 & MET	0.99449	1.582
E	GSLD-3 & CS-3	0.96430	1.534
A	RST-1,GST-1 ON-PEAK OFF-PEAK	1.00161 1.00161	1.740 1.520
B	GSDT-1 & ON-PEAK CILC-1(G) OFF-PEAK	1.00155 1.00155	1.740 1.519
C	GSLDT-1 & ON-PEAK CST-1 OFF-PEAK	1.00046 1.00046	1.738 1.518
D	GSLDT-2 & ON-PEAK CST-2 OFF-PEAK	0.99449 0.99449	1.727 1.509
E	GSLDT-3,CST-3, ON-PEAK CILC-1(T) OFF-PEAK & ISST-1(T)	0.96430 0.96430	1.675 1.463
F	CILC-1(D) ON-PEAK ISST-1(D) OFF-PEAK ISST-1(D)	0.99643 0.99643	1.731 1.512 (BIRKETT)

COMPANY SPECIFIC FUEL ISSUES

6a. Should FPL be authorized to defer recognition of cost changes for the April 1994 through September 1994 to the October 1994 through March 1995 period?

FPL: Yes. The sum of the changes decreases the costs for the April 1994 through September 1994 period by

approximately \$56 million. In an attempt to better levelize the bill, it is FPL's preference to defer the inclusion of these costs to the October 1994 through March 1995 period. FPL's alternative proposal is to incorporate a \$38,533,605 change in the computation of the fuel charge for the April 1994 through September 1994 period from that filed on January 18, 1994. This \$38,533,605 reflects those cost changes that would typically be incorporated in the estimated/actual true-up amount. Therefore, under FPL's alternative proposal FPL recommends against inclusion of approximately \$18 million in revised estimates for February and March 1994 in the estimated/actual true-up amount. (Birkett)

GPIF ISSUES

7. What should the GPIF Rewards/Penalties be for the period of April 1, 1993 through September 30, 1993?

FPL: \$871,893 reward. (SILVA)

8. What should the GPIF targets/ranges be for the period of April 1, 1994 through September 30, 1994?

FPL:

PLANT/UNIT	EQUIVALENT AVAILABILITY FACTOR (%)	AVERAGE NET OPERATING HEAT RATE (BTU/KWH)
CAPE CANAVERAL 1	94.7	8978
CAPE CANAVERAL 2	93.2	9400
FORT MYERS 1	95.2	10054
FORT MYERS 2	94.0	9418
MANATEE 1	92.7	9658
MANATEE 2	94.5	9785
PORT EVERGLADES 1	96.0	9960
PORT EVERGLADES 2	95.3	9936
PORT EVERGLADES 3	95.2	9320
PORT EVERGLADES 4	87.1	9372
PUTNAM 1	89.4	8183
PUTNAM 2	94.2	8302
ST. JOHNS RIVER 1	95.6	9370
ST. JOHNS RIVER 2	95.3	9302
RIVIERA 3	65.4	9691
RIVIERA 4	90.4	9717
SANFORD 4	94.6	9760
SANFORD 5	94.1	9534
TURKEY POINT 1	82.6	9444
TURKEY POINT 2	87.4	9624

PLANT/UNIT	EQUIVALENT AVAILABILITY FACTOR (%)	AVERAGE NET OPERATING HEAT RATE (BTU/KWH)
TURKEY POINT 3	67.0	11086
TURKEY POINT 4	93.6	11216
ST. LUCIE 1	93.4	10846
ST. LUCIE 2	70.3	10796
SCHERER 4	<u>95.9</u>	<u>8855</u>
WEIGHTED SYSTEM	83.9	9604 (SILVA)

OIL BACKOUT ISSUES

9. What is the final Oil Backout True-Up amount for the period April 1, 1993 through September 30, 1993?

FPL: \$191,376 overrecovery. (BIRKETT)

10. What is the estimated/actual Oil Backout True-Up amount for the period October 1, 1993 through March 31, 1994?

FPL: \$248,851 underrecovery. (BIRKETT)

11. What is the total Oil Backout True-Up amount to be collected during the period April 1, 1994 through September 30, 1994?

FPL: \$57,475 underrecovery. (BIRKETT)

12. What is the Projected Oil Backout Cost Recovery Factor that should be used by the Company for the period April 1, 1994 through September 30, 1994?

FPL: .012 cents/kwh. (BIRKETT)

CAPACITY COST RECOVERY ISSUES

13. What is the final capacity true-up amount for the period April 1, 1993 through September 30, 1993?

FPL: \$6,291,909 overrecovery. (BIRKETT)

14. What is the estimated/actual capacity true-up amount for the period October 1, 1993 through March 31, 1994, which are based upon two months actual and four months revised estimates?

FPL: \$17,123,942 underrecovery. (BIRKETT)

15. What is the total capacity true-up amount to be collected during the period April 1, 1994 through September 30, 1994?

FPL: \$10,832,033 underrecovery. (BIRKETT)

16. What are the appropriate Capacity Cost Recovery Factors for each rate group?

FPL:

RATE CLASS	CAPACITY RECOVERY FACTOR (\$/KW)	CAPACITY RECOVERY FACTOR (\$/KWH)
RS1`	-	0.00564
GS1	-	0.00491
GSD1	1.75	-
OS2	-	0.00402
GSLD1/CS1	1.79	-
GSLD2/CS2	1.95	-
GSLD3/CS3	1.92	-
ISST1D	0.56	-
SST1T	0.37	-
SST1D	0.64	-
CILCD/CILCG	1.71	-
CILCT	1.65	-
MET	1.86	-
OL1/SL1	-	0.00223
SL2	-	0.00336
		(BIRKETT)

F. STIPULATED ISSUES

None at this time.


G. MOTIONS

FPL is aware of no outstanding Motions at this time.

Respectfully submitted,

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215 South Monroe Street
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Attorneys for Florida Power
& Light Company

BY: _____


Matthew M. Childs, P.A.

CERTIFICATE OF SERVICE
DOCKET NO. 940001-EI

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Prehearing Statement has been furnished by Hand Delivery** or U. S. Mail this 25th day of February, 1994, to the following:

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