

**Steel Hector & Davis**

Tallahassee, Florida

Matthew M. Childs, P.A.  
(904) 222-4448

June 20, 1995

Ms. Blanca S. Bayó, Director  
Division of Records and Reporting  
Florida Public Service Commission  
Betty Easley Conference Center, Rm.110  
4075 Esplanade Way  
Tallahassee, FL 32399-0850

**RE: DOCKET NO. 950007-EI**

Dear Ms. Bayó:

Enclosed for filing please find an original and fifteen (15) copies of Florida Power & Light Company's Petition for Approval of Environmental Cost Recovery For Period October 1995 through March 1996 in the above referenced docket.

Also enclosed please find the Testimony of B.T. Birkett and W.M. Reichel.

Very truly yours,



Matthew M. Childs, P.A.

5 (4 test)

MMC/ml

cc: All Parties of Record

Bass  
1  
orig 03 Test



Tallahassee Office  
215 South Monroe  
Suite 601  
Tallahassee, FL 32301-1804  
(904) 222-2300  
Fax: (904) 222-8410

4000 Southeast Financial Center  
Miami, FL 33131-2398  
(305) 577-7000  
Fax: (305) 358-1418

*Testimony*  
DOCUMENT NUMBER - DATE  
**05797 JUN 20 95**  
FPSC-RECORDS/REPORTING

*Petition*  
DOCUMENT NUMBER - DATE  
**05796 JUN 20 95**  
FPSC-RECORDS/REPORTING  
Fax: (407) 655-1509

0.12.95  
FILE COPY

**BEFORE THE FLORIDA  
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 950007-EI  
FLORIDA POWER & LIGHT COMPANY**

**JUNE 20, 1995**

**ENVIRONMENTAL COST RECOVERY  
FACTOR**

**PROJECTIONS  
OCTOBER 1995 THROUGH MARCH 1996**

**TESTIMONY & EXHIBITS OF:**

**B. T. BIRKETT  
W. M. REICHEL**



**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**FLORIDA POWER & LIGHT COMPANY**

**TESTIMONY OF BARRY T. BIRKETT**

**DOCKET NO. 950007-EI**

**JUNE 20, 1995**

1       **Q.    Please state your name and address.**

2       **A.    My name is Barry T. Birkett and my business address is 9250 West Flagler**  
3       **Street, Miami, Florida, 33714.**

4

5       **Q.    By whom are you employed and in what capacity?**

6       **A.    I am employed by Florida Power & Light Company (FPL) as the Manager**  
7       **of Rates and Tariff Administration.**

8

9       **Q.    Have you previously testified in this docket?**

10      **A.    Yes, I have.**

11

12      **Q.    What is the purpose of your testimony in this proceeding?**

13      **A.    The purpose of my testimony is to present for Commission review and**  
14      **approval proposed Environmental Cost Recovery Clause (ECRC) factors**  
15      **for the October 1995 through March 1996 billing period, including the costs**

1 to be recovered through the clause. In addition, I am presenting the  
2 estimated/actual costs for the April 1995 through September 1995 period  
3 together with an explanation of significant project variances.

4  
5 **Q. Is this filing by FPL in compliance with Order No. PSC-93-1580-FOF-**  
6 **EI, issued in docket No. 930661-EI?**

7 A. Yes, it is. The costs being submitted for recovery for the projected period  
8 are consistent with that order. The costs reflected in the true-up amount  
9 are those approved for recovery by the Commission in Order No. PSC-95-  
10 0384-FOF-EI dated March 21, 1995.

11  
12 **Q. Have you prepared or caused to be prepared under your direction,**  
13 **supervision or control an exhibit in this proceeding?**

14 A. Yes, I have. It consists of eight documents, Document No. 1 summarizes  
15 the costs being presented for recovery at this time, Document No. 2  
16 reflects the allocation of costs to the rate classes, Document 3 shows the  
17 billing factors as calculated for each rate class, Documents 4 and 8 consist  
18 of the calculation of depreciation expense and return on capital investment,  
19 Documents 5, 6 and 7 consists of the True-up and variance calculations  
20 for the prior period.

21  
22 **Q. Please describe Document No. 1.**

23 A. Document No. 1 provides a summary of the costs being requested for

1 recovery through the Environmental Cost Recovery Clause. Total recov-  
2 erable environmental costs amount to \$7,681,233, and include \$7,292,645  
3 of environmental project costs increased by a net underrecovery of  
4 \$266,954 reflected on line 18. The net underrecovery of \$266,954 in-  
5 cludes the final overrecovery of \$419,418 for the period October 1994  
6 through March 1995 and the estimated/actual underrecovery of \$686,372  
7 for the April 1995 - September 1995 period.

8  
9 In addition, Document No. 1 presents the method of classifying costs  
10 consistent with Order No. PSC-94-0393-FOF-EI.

11  
12 **Q. Are all costs listed in Document No. 1 attributable to Environmental  
13 Compliance projects previously approved by the Commission?**

14 **A.** Yes they are, with the exception of the NPDES Permit Fees O&M project  
15 reflected on line 14. This new project is discussed in the testimony of  
16 William M. Reichel.

17  
18 **Q. Please describe Document No. 2.**

19 **A.** Document No. 2 calculates the allocation factors for demand and energy  
20 at generation. The demand allocation factors are calculated by deter-  
21 mining the percentage each rate class contributes to the monthly system  
22 peaks. The energy allocators are calculated by determining the percent-  
23 age each rate contributes to total kWh sales, as adjusted for losses, for

1 each rate class.

2

3 **Q. Please describe Document No. 3.**

4 A. Document No. 3 presents the calculation of the proposed ECRC factors by  
5 rate class.

6

7 **Q. How do the estimated/actual project expenditures for April 1995  
8 through September 1995 period compare with the original projec-  
9 tion?**

10 A. As shown on Document 5, overall, costs were \$682,036 greater than  
11 projected. The largest variances were associated with the following  
12 projects:

13

14 **1. RCRA Corrective Action - O&M**

15 Project expenditures are estimated to be \$919,000 greater than originally  
16 projected. This variance is due to the acceleration of work at the Cape  
17 Canaveral site due to the availability of resources to perform the work  
18 earlier than had originally been projected.

19

20 **2. Low NOx Burner Technology - Capital**

21 Depreciation and Return are estimated to be \$261,404 less than previously  
22 projected. This variance is a result of delays in the completion of the work  
23 at Turkey Point Unit 2 caused by vendor delays with the turbine liner and

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

balancing.

**3. Continuous Emission Monitoring Systems - O&M**

Project expenditures are estimated to be \$101,347 greater than previously projected. This variance is a result of earlier than anticipated software upgrade requirements as a result of the new EPA rulings published in 1995.

**4. NPDES Permit Fees - O&M**

Total estimated expenditures for the period for this new activity which was not included in the previous projection are \$95,958.

**5. Continuous Emission Monitoring Systems - Capital**

Depreciation and Return are estimated to be \$86,975 less than previously projected. This variance is due to delays in the completion of the projects at Scherer Unit 4 and St. Johns River Power Park Units 1&2 caused by vendor delays for the software and programming.

**6. Clean Closure Equivalency - O&M**

Project expenditures are estimated to be \$44,615 less than previously projected. This variance is due to delays caused by uncertainty which arose concerning the timing of the work at Turkey Point and Ft. Myers when the responsibility to oversee this program was transferred from the



1 EPA to the FDEP.

2

3 **7. Low Level Radioactive Waste Access Fees - O&M**

4 Project expenditures are estimated to be \$42,794 less than previously  
5 projected. This variance is a result of a lower volume of waste shipments  
6 than originally projected.

7

8 **Q. Does this conclude your testimony?**

9 **A. Yes, it does.**

FLORIDA POWER & LIGHT COMPANY  
 ENVIRONMENTAL COST RECOVERY CLAUSE  
 FOR THE RECOVERY PERIOD OF OCTOBER 1995 - MARCH 1996

ENVIRONMENTAL COSTS	PROJECTED						TOTAL	DEMAND	ENERGY	METHOD OF CLASSIFICATION
	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH				
1. Air Operating Permit Fees - O & M	\$4,108	\$4,108	\$4,773	\$4,773	\$1,949,416	\$4,773	\$1,971,950	\$1,971,950	100% ENERGY	
2. Low NOx Burner Technology - Capital	\$213,048	\$222,065	\$227,830	\$230,865	\$233,689	\$233,015	\$1,360,112	\$1,360,112	100% ENERGY	
3a. Continuous Emission Monitoring Systems - O & M	\$45,000	\$45,000	\$28,518	\$30,000	\$30,000	\$30,000	\$208,518	\$208,518	100% ENERGY	
3b. Continuous Emission Monitoring Systems - Capital	\$155,531	\$155,480	\$155,074	\$154,688	\$154,263	\$153,857	\$928,874	\$928,874	100% ENERGY	
4a. Clean Closure Equivalency - O & M	\$10,000	\$40,800	\$25,000	\$18,000	\$57,089	\$15,000	\$185,929	\$185,929	100% DEMAND	
4b. Clean Closure Equivalency - Capital	\$703	\$703	\$702	\$700	\$698	\$698	\$4,202	\$3,879	\$323	12CP 1/13
5a. Maintenance of Stationary Above Ground Fuel Storage Tanks - O & M	\$75,287	\$75,287	\$75,287	\$79,833	\$79,833	\$79,833	\$485,360	\$485,360	100% DEMAND	
5b. Maintenance of Stationary Above Ground Fuel Storage Tanks - Capital	\$47,781	\$48,983	\$50,477	\$54,462	\$58,032	\$57,893	\$317,828	\$380,185	\$24,433	12CP 1/13
7. Relocate Turbine Lake Oil Underground Piping To Above Ground - Capital	\$354	\$354	\$353	\$352	\$351	\$351	\$2,115	\$1,952	\$163	12CP 1/13
8a. Oil Spill Cleanup / Response Equipment - O & M	\$12,579	\$12,579	\$12,579	\$13,833	\$13,833	\$13,833	\$79,236	\$79,236	100% ENERGY	
8b. Oil Spill Cleanup / Response Equipment - Capital	\$10,093	\$10,042	\$11,598	\$11,889	\$11,824	\$11,548	\$96,594	\$81,471	\$5,123	12CP 1/13
8c. Oil Spill Cleanup / Response Equipment - Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9. Low-level Radioactive Waste Access Fees - O & M	\$71,393	\$0	\$0	(\$2,805)	\$0	\$0	\$68,528	\$68,528	100% ENERGY	
10. Relocate Storm Water Runoff - Capital	\$1,318	\$1,342	\$1,316	\$1,314	\$1,311	\$1,308	\$7,909	\$7,301	\$608	12CP 1/13
11. SO2 Allowances - Negative Return on Investment	(\$8,474)	(\$8,473)	(\$8,473)	(\$8,473)	(\$8,473)	(\$8,473)	(\$38,839)	(\$38,839)	100% ENERGY	
12. Schemer Discharge Pipeline - Capital	\$9,854	\$9,858	\$9,837	\$9,817	\$9,797	\$9,778	\$58,939	\$54,405	\$4,534	12CP 1/13
13. RCRA Corrective Action - O & M	\$189,000	\$0	\$0	\$250,000	\$670,000	\$590,000	\$1,899,000	\$1,899,000	100% DEMAND	
14. NPDES Permit Fees - O & M	\$0	\$0	\$0	\$132,400	\$0	\$0	\$132,400	\$132,400	100% DEMAND	
15. TOTAL (Lines 1 thru 15)	\$839,575	\$820,158	\$596,661	\$983,179	\$3,263,443	\$1,195,410	\$7,498,455	\$2,884,892	\$4,613,563	
16. JURISDICTIONAL % *							97.25530%	97.25530%	97.25530%	
17. JURISDICTIONALIZED ENVIRONMENTAL COSTS							\$7,292,845	\$2,805,710	\$4,488,934	
18. FINAL TRUE-UP -- overrecovery(underrecovery) OCT 1994 - MAR 1995 \$419,418							EST / ACT TRUE-UP -- overrecovery(underrecovery) APR 1995 - SEP 1995 (\$686,372)	(\$266,954)	(\$102,708)	(\$184,248)
19. TOTAL (Lines 17-18)							\$7,559,589	\$2,908,418	\$4,651,182	
20. REVENUE TAX MULTIPLIER							1.01609	1.01609	1.01609	
21. TOTAL RECOVERABLE ENVIRONMENTAL COSTS							\$7,681,233	\$2,955,212	\$4,726,020	

CALCULATION OF JURISDICTIONAL %

	AVG. 12 CP AT GEN. MWD	%
FP&C	12.579	97.25530%
FERC	302	2.74470%
TOTAL	12.924	100.00000%

NOTE 1: BASED ON 1994 ACTUAL DATA

NOTE 2: TRUE-UP COSTS SPLIT IN PROPORTION TO THE CURRENT PERIOD SPLIT OF COSTS 38.47% DEMAND AND 61.53% ENERGY

FLORIDA POWER & LIGHT COMPANY  
 CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS  
 OCTOBER 1995 THROUGH MARCH 1996

Rate Class	(1) AVG 12CP Load Factor at Meter (%)	(2) Projected Sales at Meter (kwh)	(3) Projected AVG 12 CP at Meter (kW)	(4) Demand Loss Expansion Factor	(5) Energy Loss Expansion Factor	(6) Projected Sales at Generation (kwh)	(7) Projected AVG 12 CP at Generation (kW)	(8) Percentage of Sales at Generation (%)	(9) Percentage of Demand at Generation (%)
RS1	63.602%	16,625,433,939	6,685,925	1.082808590	1.066850920	19,870,561,333	7,239,577	52.61176%	59.75817%
GS1	64.975%	2,263,121,828	795,220	1.082808590	1.066850920	2,414,413,604	861,072	6.39270%	7.10761%
GSD1	88.011%	8,235,764,345	2,136,451	1.082738811	1.066844877	8,786,283,000	2,313,218	23.26365%	19.09416%
OS2	93.877%	9,944,074	2,418	1.055063740	1.044779957	10,389,369	2,552	0.02751%	0.02107%
GSLD1/CS1	88.814%	3,329,563,877	855,917	1.081345139	1.066573109	3,551,223,296	925,542	9.40266%	7.63977%
GSLD2/CS2	86.092%	795,918,843	211,073	1.071479108	1.062379643	845,567,970	226,160	2.23863%	1.86681%
GSLD3/CS3	86.414%	373,038,121	98,559	1.029156006	1.024181147	382,058,811	101,432	1.01159%	0.83726%
ISST1D	82.787%	778,800	215	1.082808590	1.066850920	830,863	233	0.00220%	0.00192%
SST1T	67.111%	33,194,335	11,293	1.029156006	1.024181147	33,997,012	11,622	0.09001%	0.09593%
SST1D	132.214%	21,344,916	3,886	1.076385299	1.055032280	22,519,575	3,967	0.05963%	0.03275%
CILCD/CILCG	89.352%	990,615,390	253,120	1.075494173	1.063102848	1,053,126,042	272,229	2.78839%	2.24708%
CILCT	98.860%	495,082,850	114,336	1.029156006	1.024181147	507,054,521	117,670	1.34254%	0.97129%
MET	72.761%	40,709,611	12,774	1.055063740	1.044779957	42,532,586	13,477	0.11261%	0.11124%
OL1/SL1	284.046%	195,781,193	15,737	1.082808590	1.066850920	208,869,346	17,040	0.55303%	0.14065%
SL2	100.064%	36,428,878	8,312	1.082808590	1.066850920	38,864,182	9,000	0.10290%	0.07429%
<b>TOTAL</b>		<b>35,446,721,000</b>	<b>11,205,035</b>			<b>37,768,291,317</b>	<b>12,114,791</b>	<b>100.00%</b>	<b>100.00%</b>

- (1) AVG 12 CP load factor based on actual 1994 calendar data.
- (2) Projected kwh sales for the period October 1995 through March 1996
- (3) Calculated: Col(2)/(8760 hours/2 \* Col(1)) , 8760 hours/2 = hours over 6 mos .
- (4) Based on 1994 demand losses.
- (5) Based on 1994 energy losses.
- (6) Col(2) \* Col(5).
- (7) Col(3) \* Col(4).
- (8) Col(6) / total for Col(6)
- (9) Col(7) / total for Col(7)

FLORIDA POWER & LIGHT  
CALCULATION OF ENVIRONMENTAL COST RECOVERY CLAUSE FACTORS  
OCTOBER 1995 THROUGH MARCH 1996

Rate Class	(1) Percentage of Sales at Generation (%)	(2) Percentage of Demand at Generation (%)	(3) Energy Related Cost (\$)	(4) Demand Related Cost (\$)	(5) Total Environmental Costs (\$)	(6) Projected Sales at Meter (kwh)	(7) Environmental Recovery Factor (\$/kwh)
RS1	52.61176%	59.75817%	\$2,486,441	\$1,765,980	\$4,252,421	18,625,433,939	0.00023
GS1	6.39270%	7.10761%	\$302,120	\$210,045	\$512,165	2,263,121,828	0.00023
GSD1	23.26365%	19.09416%	\$1,099,445	\$564,273	\$1,663,718	8,235,764,345	0.00020
OS2	0.02751%	0.02107%	\$1,300	\$623	\$1,923	9,944,074	0.00019
GSLD1/CS1	9.40266%	7.63977%	\$444,372	\$225,771	\$670,143	3,329,563,877	0.00020
GSLD2/CS2	2.23883%	1.86681%	\$105,808	\$55,168	\$160,976	795,918,843	0.00020
GSLD3/CS3	1.01159%	0.83726%	\$47,808	\$24,743	\$72,551	373,038,121	0.00019
ISST1D	0.00220%	0.00192%	\$104	\$57	\$161	778,800	0.00021
SST1T	0.09001%	0.09593%	\$4,254	\$2,835	\$7,089	33,194,335	0.00021
SST1D	0.05963%	0.03275%	\$2,818	\$968	\$3,786	21,344,916	0.00018
CILC D/CILC	2.78839%	2.24708%	\$131,780	\$66,406	\$198,186	990,615,390	0.00020
CILC T	1.34254%	0.97129%	\$63,449	\$28,704	\$92,153	495,082,850	0.00019
MET	0.11261%	0.11124%	\$5,322	\$3,287	\$8,609	40,709,611	0.00021
OL1/SL1	0.55303%	0.14065%	\$26,136	\$4,157	\$30,293	195,781,193	0.00015
SL2	0.10290%	0.07429%	\$4,863	\$2,195	\$7,058	36,428,878	0.00019
<b>TOTAL</b>			<b>\$4,726,020</b>	<b>\$2,955,212</b>	<b>\$7,681,232</b>	<b>35,446,721,000</b>	<b>0.00022</b>

Note: There are currently no customers taking service on Schedule ISST1(T). Should any customer begin taking service on this schedule during the period, they will be billed using the ISST(D) Factor,

- (1) Obtained from Document No. 2
- (2) Obtained from Document No. 2
- (3) Total obtained from Document No. 1 \* Col (1)
- (4) Total obtained from Document No. 1 \* Col (2)
- (5) Col (3) + Col (4)
- (6) Projected kwh sales for the period October 1995 through March 1996
- (7) Col (5) / (6)

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Projected Period October 1995 through March 1996

Low NOx Burner Technology (Project No. 2)

Line No.	Description	Beginning of Period	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Total	Line No.
1.	Investment		412,394	972,537	0	569,738	0	0	1,954,669	1.
2.	Depreciation Base		16,661,747	17,634,284	17,634,284	18,204,022	18,204,022	18,204,022	n/a	2.
(1) 3.	Depreciation Expense		65,997	68,734	70,424	71,468	72,513	72,513	421,649	3.
4.	Cumulative Investment (Line 2)	16,249,353	16,661,747	17,634,284	17,634,284	18,204,022	18,204,022	18,204,022	n/a	4.
5.	Less: Accumulated Depreciation	563,006	629,002	697,737	768,161	839,629	912,142	984,655	n/a	5.
6.	Net Investment (Line 4 - 5)	15,686,347	16,032,745	16,936,547	16,866,123	17,364,393	17,291,880	17,219,367	n/a	6.
7.	Average Net Investment		15,859,546	16,484,646	16,901,335	17,115,258	17,328,136	17,255,623		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.8102% /12)		63,122	66,079	67,749	68,607	69,460	69,169	404,186	8a.
(2) b.	Equity Component grossed up for taxes		102,763	107,576	110,295	111,692	113,081	112,608	658,015	8b.
c.	Debt Component (Line 7 * 3.3307% /12)		44,288	45,755	46,911	47,505	48,096	47,894	280,448	8c.
9.	Total Return Requirements (Line 8b + 8c)		147,051	153,331	157,207	159,196	161,176	160,502	938,463	9.
10.	Total Depreciation & Return (Line 3 + 9)		213,048	222,065	227,630	230,665	233,689	233,015	1,360,112	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.8102% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Projected Period October 1995 through March 1996

Continuous Emissions Monitoring (Project No. 3)

Line No.	Description	Beginning of Period	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Total	Line No.
1.	Investment		0	0	0	0	0	0	0	1.
2.	Depreciation Base		12,514,635	12,514,635	12,514,635	12,514,635	12,514,635	12,514,635	n/a	2.
(1) 3.	Depreciation Expense		43,609	43,609	43,609	43,609	43,609	43,609	261,654	3.
4.	Cumulative Investment (Line 2)	12,514,635	12,514,635	12,514,635	12,514,635	12,514,635	12,514,635	12,514,635	n/a	4.
5.	Less: Accumulated Depreciation	421,937	465,546	509,155	552,764	596,373	639,982	683,591	n/a	5.
6.	Net Investment (Line 4 - 5)	12,092,698	12,049,089	12,005,480	11,961,871	11,918,262	11,874,653	11,831,044	n/a	6.
7.	Average Net Investment		12,070,894	12,027,285	11,983,676	11,940,067	11,896,458	11,852,849		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.8102% /12)		48,043	48,211	48,037	47,862	47,687	47,512	287,352	8a.
(2) b.	Equity Component grossed up for taxes		78,214	78,488	78,204	77,919	77,634	77,350	467,809	8b.
c.	Debt Component (Line 7 * 3.3307% /12)		33,708	33,383	33,262	33,141	33,020	32,899	199,411	8c.
9.	Total Return Requirements (Line 8b + 8c)		111,922	111,871	111,465	111,060	110,654	110,248	667,221	9.
10.	Total Depreciation & Return (Line 3 + 9)		155,531	155,480	155,074	154,669	154,263	153,857	928,874	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.8102% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Projected Period October 1995 through March 1996

Clean Closure Equivalency (Project No. 4)

Line No.	Description	Beginning of Period	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Total	Line No.
1.	Investment		0	0	0	0	0	0	0	1.
2.	Depreciation Base		58,866	58,866	58,866	58,866	58,866	58,866	n/a	2.
(1) 3.	Depreciation Expense		188	188	188	188	188	188	1,127	3.
4.	Cumulative Investment (Line 2)	58,866	58,866	58,866	58,866	58,866	58,866	58,866	n/a	4.
5.	Less: Accumulated Depreciation	3,160	3,348	3,536	3,724	3,912	4,100	4,287	n/a	5.
6.	Net Investment (Line 4 - 5)	55,705	55,518	55,330	55,142	54,954	54,766	54,578	n/a	6.
7.	Average Net Investment		55,612	55,424	55,236	55,048	54,860	54,672		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.8102% /12)		221	222	221	221	220	219	1,325	8a.
(2) b.	Equity Component grossed up for taxes		360	362	360	359	358	357	2,157	8b.
c.	Debt Component (Line 7 * 3.3307% /12)		155	154	153	153	152	152	919	8c.
9.	Total Return Requirements (Line 8b + 8c)		516	516	514	512	510	509	3,076	9.
10.	Total Depreciation & Return (Line 3 + 9)		703	703	702	700	698	696	4,202	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.8102% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Projected Period October, 1995 through March 1996

Maintenance of Above Ground Storage Tanks (Project No. 5)

Line No.	Description	Beginning of Period	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Total	Line No.
1.	Investment		0	200,000	70,000	605,000	0	0	875,000	1.
2.	Depreciation Base		3,901,157	4,101,157	4,171,157	4,776,157	4,776,157	4,776,157	n/a	2.
(1) 3.	Depreciation Expense		12,429	12,706	13,064	14,036	14,927	14,927	82,088	3.
4.	Cumulative Investment (Line 2)	3,901,157	3,901,157	4,101,157	4,171,157	4,776,157	4,776,157	4,776,157	n/a	4.
5.	Less: Accumulated Depreciation	82,204	94,633	107,339	120,403	134,439	149,366	164,292	n/a	5.
6.	Net Investment (Line 4 - 5)	3,818,953	3,806,524	3,993,818	4,050,754	4,641,718	4,626,791	4,611,865	n/a	6.
7.	Average Net Investment		3,812,738	3,900,171	4,022,286	4,346,236	4,634,255	4,619,328		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.8102% /12)		15,175	15,634	16,123	17,422	18,576	18,517	101,447	8a.
(2) b.	Equity Component grossed up for taxes		24,705	25,452	26,249	28,363	30,242	30,145	165,156	8b.
c.	Debt Component (Line 7 * 3.3307% /12)		10,647	10,825	11,164	12,063	12,863	12,821	70,384	8c.
9.	Total Return Requirements (Line 8b + 8c)		35,352	36,277	37,413	40,426	43,105	42,966	235,540	9.
10.	Total Depreciation & Return (Line 3 + 9)		47,781	48,983	50,477	54,462	58,032	57,893	317,628	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.8102% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.



Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Projected Period October 1995 through March 1996

Relocate Turbine Oil Underground Piping (Project No. 7)

Line No.	Description	Beginning of Period	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Total	Line No.
1.	Investment		0	0	0	0	0	0	0	1.
2.	Depreciation Base		31,030	31,030	31,030	31,030	31,030	31,030	n/a	2.
(1) 3.	Depreciation Expense		88	88	88	88	88	88	528	3.
4.	Cumulative Investment (Line 2)	31,030	31,030	31,030	31,030	31,030	31,030	31,030	n/a	4.
5.	Less: Accumulated Depreciation	2,302	2,390	2,478	2,565	2,653	2,741	2,829	n/a	5.
6.	Net Investment (Line 4 - 5)	28,728	28,640	28,552	28,465	28,377	28,289	28,201	n/a	6.
7.	Average Net Investment		28,684	28,596	28,508	28,421	28,333	28,245		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.8102% /12)		114	115	114	114	114	113	684	8a.
(2) b.	Equity Component grossed up for taxes		186	187	186	185	185	184	1,113	8b.
c.	Debt Component (Line 7 * 3.3307% /12)		80	79	79	79	79	78	475	8c.
9.	Total Return Requirements (Line 8b + 8c)		266	266	265	264	264	263	1,588	9.
10.	Total Depreciation & Return (Line 3 + 9)		354	354	353	352	351	351	2,115	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.8102% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Projected Period October 1995 through March 1996

Oil Spill Cleanup/Response Equipment (Project No. 8)

Line No.	Description	Beginning of Period	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Total	Line No.
1.	Investment		0	0	40,000	0	0	0	40,000	1.
2.	Depreciation Base		536,899	536,899	576,899	576,899	576,899	576,899	n/a	2.
(1) 3.	Depreciation Expense		6,649	6,649	8,078	8,078	8,078	8,078	45,610	3.
4.	Cumulative Investment (Line 2)	536,899	536,899	536,899	576,899	576,899	576,899	576,899	n/a	4.
5.	Less: Accumulated Depreciation	162,215	168,865	175,514	183,592	191,670	199,748	207,826	n/a	5.
6.	Net Investment (Line 4 - 5)	374,683	368,034	361,384	393,306	385,229	377,151	369,073	n/a	6.
7.	Average Net Investment		371,358	364,709	377,345	389,267	381,190	373,112		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.8102% /12)		1,478	1,462	1,513	1,560	1,528	1,496	9,037	8a.
(2) b.	Equity Component grossed up for taxes		2,406	2,380	2,462	2,540	2,488	2,435	14,712	8b.
c.	Debt Component (Line 7 * 3.3307% /12)		1,037	1,012	1,047	1,080	1,058	1,036	6,271	8c.
9.	Total Return Requirements (Line 8b + 8c)		3,443	3,392	3,510	3,621	3,546	3,470	20,982	9.
10.	Total Depreciation & Return (Line 3 + 9)		10,093	10,042	11,588	11,699	11,624	11,548	66,594	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.8102% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Projected Period October 1995 through March 1996

Relocate Storm Water Runoff (Project No. 10)

Line No.	Description	Beginning of Period	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Total	Line No.
1.	Investment		0	0	0	0	0	0	0	1.
2.	Depreciation Base		117,794	117,794	117,794	117,794	117,794	117,794	n/a	2.
(1) 3.	Depreciation Expense		270	270	270	270	270	270	1,621	3.
4.	Cumulative Investment (Line 2)	117,794	117,794	117,794	117,794	117,794	117,794	117,794	n/a	4.
5.	Less: Accumulated Depreciation	4,671	4,941	5,211	5,482	5,752	6,022	6,292	n/a	5.
6.	Net Investment (Line 4 - 5)	113,123	112,852	112,582	112,312	112,042	111,772	111,502	n/a	6.
7.	Average Net Investment		112,988	115,188	112,447	112,177	111,907	111,637		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.8102% /12)		450	462	451	450	449	447	2,708	8a.
(2) b.	Equity Component grossed up for taxes		732	752	734	732	730	729	4,408	8b.
c.	Debt Component (Line 7 * 3.3307% /12)		316	320	312	311	311	310	1,879	8c.
9.	Total Return Requirements (Line 8b + 8c)		1,048	1,071	1,046	1,043	1,041	1,038	6,288	9.
10.	Total Depreciation & Return (Line 3 + 9)		1,318	1,342	1,316	1,314	1,311	1,308	7,909	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.8102% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Projected Period October 1995 through March 1996

Scherer Discharge Pipeline (Project No. 12)

Line No.	Description	Beginning of Period	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Total	Line No.
1.	Investment		0	0	0	0	0	0	0	1.
2.	Depreciation Base		853,365	853,365	853,365	853,365	853,365	853,365	n/a	2.
(1) 3.	Depreciation Expense		2,187	2,187	2,187	2,187	2,187	2,187	13,123	3.
4.	Cumulative Investment (Line 2)	863,302	863,302	863,302	863,302	863,302	863,302	863,302	n/a	4.
5.	Less: Accumulated Depreciation	35,345	37,532	39,719	41,906	44,094	46,281	48,468	n/a	5.
6.	Net Investment (Line 4 - 5)	827,957	825,770	823,583	821,396	819,209	817,021	814,834	n/a	6.
7.	Average Net Investment		826,864	824,677	822,489	820,302	818,115	815,928		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.8102% /12)		3,291	3,306	3,297	3,288	3,279	3,271	19,732	8a.
(2) b.	Equity Component grossed up for taxes		5,358	5,382	5,367	5,353	5,339	5,325	32,124	8b.
c.	Debt Component (Line 7 * 3.3307% /12)		2,309	2,289	2,283	2,277	2,271	2,265	13,693	8c.
9.	Total Return Requirements (Line 8b + 8c)		7,667	7,671	7,650	7,630	7,610	7,589	45,817	9.
10.	Total Depreciation & Return (Line 3 + 9)		9,854	9,858	9,837	9,817	9,797	9,776	58,939	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.8102% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Negative Return on  
 Deferred Gain on Sales of Emission Allowances  
 For the Projected Period October 1995 through March 1996

Line No.	Description	Beginning of Period	Projected October	Projected November	Projected December	Projected January	Projected February	Projected March	Total	Line No.
1	Additions									
2	Net Investment	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)		1
3	Average Net Investment		(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)	n/a	2
4	Return on Average Net Investment (a)									3
	a. Equity Component (Line 3 x 4.7769% /12) *		(2,790)	(2,790)	(2,790)	(2,790)	(2,790)	(2,790)	(16,738)	4
	b. Equity Comp. grossed up for taxes (Line 4a/.61425)		(4,542)	(4,542)	(4,542)	(4,542)	(4,542)	(4,542)	(27,250)	
	c. Debt Component (Line 3 x 3.4859% /12)*		(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	(1,932)	(11,590)	
5	<b>Total Return Requirements (Line 4b + 4c)</b>		<b>(6,474)</b>	<b>(6,473)</b>	<b>(6,473)</b>	<b>(6,473)</b>	<b>(6,473)</b>	<b>(6,473)</b>	<b>(38,839)</b>	5

\* The Equity and Debt Component have been updated to reflect March 31, 1995 cost rates as filed in the Monthly Rate of Return Surveillance Report.

FLORIDA POWER & LIGHT COMPANY  
 ENVIRONMENTAL COST RECOVERY CLAUSE  
 CALCULATION OF ESTIMATED/ACTUAL VARIANCE  
 APRIL THROUGH SEPTEMBER 1995

ENVIRONMENTAL COSTS	ESTIMATED/ACTUAL	ESTIMATED	VARIANCE
1. Air Operating Permit Fees - O & M	\$26,643	\$27,307	(\$664)
2. Low NOx Burner Technology - Capital	\$1,233,058	\$1,494,462	(\$261,404)
3a. Continuous Emission Monitoring Systems - O & M	\$424,047	\$322,700	\$101,347
3b. Continuous Emission Monitoring Systems - Capital	\$947,272	\$1,034,247	(\$86,975)
4a. Clean Closure Equivalency - O & M	\$131,385	\$176,000	(\$44,615)
4b. Clean Closure Equivalency - Capital	\$4,349	\$7,961	(\$3,612)
5a. Maintenance of Stationary Above Ground Fuel Storage Tanks - O & M	\$473,080	\$478,998	(\$5,918)
5b. Maintenance of Stationary Above Ground Fuel Storage Tanks - Capital	\$229,631	\$240,755	(\$11,124)
7. Relocate Turbine Lube Oil Underground Piping to Above Ground - Capital	\$2,144	\$2,150	(\$6)
8a. Oil Spill Cleanup/Response Equipment - O & M	\$113,608	\$82,998	\$30,610
8b. Oil Spill Cleanup/Response Equipment - Capital	\$62,575	\$62,715	(\$140)
8c. Oil Spill Cleanup/Response Equipment - Revenue	(\$9,822)	\$0	(\$9,822)
9. Low-Level Radioactive Waste Access Fees - O & M	\$153,288	\$196,082	(\$42,794)
10. Relocate Storm Water Runoff - Capital	\$7,972	\$8,668	(\$696)
11. SO2 Allowances - Negative Return on Investment	(\$35,743)	(\$38,118)	\$2,375
12. Scherer Discharge Pipeline - Capital	\$59,645	\$59,129	\$516
13. RCRA Corrective Action - O & M	\$1,214,000	\$295,000	\$919,000
14. NPDES Permit Fees - O & M	\$95,958	\$0	\$95,958
15. TOTAL (Lines 1 through 14)	<u>\$5,133,090</u>	<u>\$4,451,054</u>	<u>\$682,036</u>
16. Jurisdictional Environmental Costs	\$5,024,041	\$4,356,494	(\$667,547)
17. Jurisdictional Environmental Revenues, Net of Revenue Taxes	<u>\$4,331,410</u>	<u>\$4,356,494</u>	<u>\$25,084</u>
18. True-up Provision (lines 17-16)	(\$692,631)	\$0	(\$692,631)
19. Interest Provision	\$6,259	\$0	\$6,259
20. Deferred True-up Beginning of Period	<u>\$419,418</u>	<u>\$0</u>	<u>\$419,418</u>
21. End of Period Net True-up Amount (lines 18+19+20)	<u>(\$266,954)</u>	<u>\$0</u>	<u>(\$266,954)</u>

FLORIDA POWER & LIGHT COMPANY  
 ENVIRONMENTAL COST RECOVERY CLAUSE  
 APRIL THROUGH MAY 1995 ACTUAL  
 JUNE 1995 THROUGH SEPTEMBER 1995 ESTIMATED

ENVIRONMENTAL COSTS	ACTUALS		ESTIMATED					TOTAL
	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER		
1. Air Operating Permit Fees - O & M	\$4,108	\$4,108	\$4,108	\$4,773	\$4,773	\$4,773	\$26,643	
2. Low NOx Burner Technology - Capital	\$187,593	\$198,653	\$211,386	\$211,866	\$212,343	\$211,217	\$1,233,058	
3a. Continuous Emission Monitoring Systems - O & M	\$116,455	\$41,350	\$110,998	\$85,244	\$35,000	\$35,000	\$424,047	
3b. Continuous Emission Monitoring Systems - Capital	\$167,009	\$159,094	\$157,149	\$156,744	\$156,340	\$155,936	\$947,272	
4a. Clean Closure Equivalency - O & M	\$22,819	\$14,125	\$25,601	\$20,000	\$39,270	\$9,570	\$131,385	
4b. Clean Closure Equivalency - Capital	\$786	\$732	\$710	\$709	\$707	\$705	\$4,349	
5a. Maintenance of Stationary Above Ground Fuel Storage Tanks - O & M	\$98,251	\$73,681	\$75,287	\$75,287	\$75,287	\$75,287	\$473,080	
5b. Maintenance of Stationary Above Ground Fuel Storage Tanks - Capital	\$30,906	\$35,594	\$37,374	\$38,731	\$41,587	\$45,439	\$229,631	
7. Relocate Turbine Lube Oil Underground Piping to Above Ground - Capital	\$362	\$358	\$357	\$356	\$356	\$355	\$2,144	
8a. Oil Spill Cleanup/Response Equipment - O & M	\$1,497	\$6,953	\$40,000	\$40,000	\$12,579	\$12,579	\$113,608	
8b. Oil Spill Cleanup/Response Equipment - Capital	\$10,351	\$10,245	\$11,331	\$10,278	\$10,216	\$10,154	\$62,575	
8c. Oil Spill Cleanup/Response Equipment - Revenue	\$0	(\$9,822)	\$0	\$0	\$0	\$0	(\$9,822)	
9. Low-Level Radioactive Waste Access Fees - O & M	\$74,450	\$0	\$0	\$78,838	\$0	\$0	\$153,288	
10. Relocate Storm Water Runoff - Capital	\$1,346	\$1,330	\$1,328	\$1,325	\$1,323	\$1,320	\$7,972	
11. SO2 Allowances - Negative Return on Investment	(\$4,470)	(\$5,461)	(\$6,453)	(\$6,453)	(\$6,453)	(\$6,453)	(\$35,743)	
12. Scherer Discharge Pipeline - Capital	\$10,067	\$9,960	\$9,935	\$9,915	\$9,894	\$9,874	\$59,645	
13. RCRA Corrective Action - O & M	\$10,769	\$431,610	\$12,621	\$303,000	\$420,000	\$36,000	\$1,214,000	
14. NPDES Permit Fees - O & M	\$0	\$0	\$0	\$95,958	\$0	\$0	\$95,958	
15. TOTAL (Lines 1 through 14)	\$727,299	\$972,510	\$691,732	\$1,126,571	\$1,013,222	\$601,756	\$5,133,090	

FLORIDA POWER & LIGHT COMPANY  
 ENVIRONMENTAL PROGRAM COSTS OVER/(UNDER)RECOVERY  
 ESTIMATED/ACTUAL PERIOD - APRIL THROUGH SEPTEMBER 1995

	ACTUAL APRIL	ACTUAL MAY	ESTIMATED JUNE	ESTIMATED JULY	ESTIMATED AUGUST	ESTIMATED SEPTEMBER	PERIOD TOTALS
B. 1 ENVIRONMENTAL CLAUSE REVENUES (NET OF REVENUE TAXES)	522,031	611,895	643,541	692,531	703,090	695,383	3,868,470
2 ADJUSTMENT NOT APPLICABLE TO PERIOD - PRIOR TRUE-UP	77,157	77,157	77,157	77,157	77,157	77,157	462,940
3 ENVIRONMENTAL REVENUES APPLICABLE TO PERIOD (Line B1 + B2)	599,188	689,052	720,698	769,687	780,247	772,540	4,331,410
4 JURISDICTIONAL ENVIRONMENTAL EXPENSES	711,848	951,850	677,036	1,102,638	991,697	588,972	5,024,041
5 TRUE-UP THIS PERIOD (Line B3 - Line B4)	(112,660)	(262,798)	43,662	(332,951)	(211,450)	183,568	(692,671)
6 INTEREST PROVISION FOR THE MONTH (From DOCUMENT NO. 1, Page 3, Line C10)	4,090	2,664	1,732	619	(1,145)	(1,611)	6,259
7 TRUE-UP & INTEREST PROVISION BEGINNING OF MONTH (EST/ACT in factor)	462,940	277,123	(60,168)	(91,931)	(501,419)	(791,171)	462,940
a. DEFERRED TRUE-UP BEGINNING OF PERIOD (Final less EST/ACT)	419,418	419,418	419,418	419,418	419,418	419,418	419,418
8 PRIOR TRUE-UP COLLECTED (REFUNDED)	(77,157)	(77,157)	(77,157)	(77,157)	(77,157)	(77,157)	(462,940)
9 END OF PERIOD -TOTAL NET TRUE-UP RECOVERY (Line B5 + B6 + B7 + B7a + B8)	\$696,541	\$359,250	\$327,487	(\$82,001)	(\$371,753)	(\$266,954)	(\$266,954)

NOTES: ( ) Reflects Underrecovery



1  
 FLORIDA POWER & LIGHT COMPANY  
 ENVIRONMENTAL PROGRAM COSTS OVER/(UNDER)RECOVERY  
 ESTIMATED/ACTUAL PERIOD - APRIL THROUGH SEPTEMBER 1995

	ACTUAL APRIL	ACTUAL MAY	ESTIMATED JUNE	ESTIMATED JULY	ESTIMATED AUGUST	ESTIMATED SEPTEMBER	PERIOD TOTALS
<b>C INTEREST PROVISION</b>							
1 BEGINNING TRUE-UP AMOUNT (Line B7 + B7a)	\$882,358	\$696,541	\$359,250	\$327,487	(\$82,001)	(\$371,753)	\$1,811,882
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST (Line B5 + B7 + B7a + B8)	692,541	356,586	325,755	(82,620)	(370,608)	(265,342)	656,312
3 TOTAL OF BEGINNING & ENDING TRUE-UP (Line C1 + C2)	\$1,574,899	\$1,053,127	\$685,005	\$244,867	(\$452,609)	(\$637,095)	\$2,468,194
4 AVERAGE TRUE-UP AMOUNT (50% of Line C3)	\$787,450	\$526,564	\$342,503	\$122,434	(\$226,305)	(\$318,548)	\$1,234,097
5 INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	6.12000%	6.07000%	6.07000%	6.07000%	6.07000%	6.07000%	N/A
6 INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	6.07000%	6.07000%	6.07000%	6.07000%	6.07000%	6.07000%	N/A
7 TOTAL (Line C5 + C6)	12.19000%	12.14000%	12.14000%	12.14000%	12.14000%	12.14000%	N/A
AVERAGE INTEREST RATE 8 (50% of Line C7)	6.09500%	6.07000%	6.07000%	6.07000%	6.07000%	6.07000%	N/A
9 MONTHLY AVERAGE INTEREST RATE (Line C8 / 12)	0.50792%	0.50583%	0.50583%	0.50583%	0.50583%	0.50583%	N/A
10 INTEREST PROVISION FOR THE MONTH (Line C4 x C9)	\$4,000	\$2,664	\$1,732	\$619	(\$1,145)	(\$1,611)	\$6,259

( ) REFLECTS UNDERRECOVERY.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Estimated/Actual Period April through September 1995

Low NOx Burner Technology (Project No. 2)

Line No.	Description	Beginning of Period	April Actual	May Actual	June Estimated	July Estimated	August Estimated	September Estimated	Total	Line No.
1.	Investment		(17,987)	2,032,858	0	165,000	0	(72,576)	2,107,294	1.
2.	Depreciation Base		14,124,071	16,156,929	16,156,929	16,321,929	16,321,929	16,249,353	n/a	2.
(1) 3.	Depreciation Expense		56,951	60,796	64,685	65,002	65,318	65,133	377,885	3.
4.	Cumulative Investment (Line 2)	14,142,059	14,124,071	16,156,929	16,156,929	16,321,929	16,321,929	16,249,353	n/a	4.
5.	Less: Accumulated Depreciation	185,121	242,072	302,868	367,553	432,555	497,873	563,006	n/a	5.
6.	Net Investment (Line 4 - 5)	13,956,938	13,881,999	15,854,061	15,789,376	15,889,374	15,824,056	15,686,347	n/a	6.
7.	Average Net Investment		13,919,468	14,868,030	15,821,718	15,839,375	15,856,715	15,755,202		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.7761% /12)		55,410	59,176	62,972	63,042	63,111	62,707	366,418	8a.
(2) b.	Equity Component grossed up for taxes		90,207	96,339	102,518	102,633	102,745	102,087	596,529	8b.
c.	Debt Component (Line 7 * 3.3510% /12)		40,435	41,519	44,182	44,231	44,280	43,996	258,644	8c.
9.	Total Return Requirements (Line 8b + 8c)		130,642	137,858	146,700	146,864	147,025	146,084	855,172	9.
10.	Total Depreciation & Return (Line 3 + 9)		187,593	198,653	211,386	211,866	212,343	211,217	1,233,058	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.7761% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Estimated/Actual Period April through September 1995

Continuous Emissions Monitoring (Project No. 3)

Line No.	Description	Beginning of Period	April Actual	May Actual	June Estimated	July Estimated	August Estimated	September Estimated	Total	Line No.
1.	Investment		65,968	(235,373)	0	0	0	0	(169,405)	1.
2.	Depreciation Base		12,750,008	12,514,635	12,514,635	12,514,635	12,514,635	12,514,635	n/a	2.
(1) 3.	Depreciation Expense		44,320	44,046	43,609	43,609	43,609	43,609	262,803	3.
4.	Cumulative Investment (Line 2)	12,684,040	12,750,008	12,514,635	12,514,635	12,514,635	12,514,635	12,514,635	n/a	4.
5.	Less: Accumulated Depreciation	154,254	201,169	247,501	291,110	334,719	378,328	421,937	n/a	5.
6.	Net Investment (Line 4 - 5)	12,529,786	12,548,839	12,267,134	12,223,525	12,179,916	12,136,307	12,092,698	n/a	6.
7.	Average Net Investment		12,539,312	12,407,987	12,245,330	12,201,721	12,158,112	12,114,503		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.7761% /12)		49,916	49,385	48,737	48,564	48,390	48,217	293,209	8a.
(2) b.	Equity Component grossed up for taxes		81,263	80,399	79,345	79,062	78,779	78,497	477,345	8b.
c.	Debt Component (Line 7 * 3.3510% /12)		36,426	34,649	34,195	34,073	33,952	32,830	207,125	8c.
9.	Total Return Requirements (Line 8b + 8c)		117,689	115,048	113,540	113,135	112,731	112,327	684,469	9.
10.	Total Depreciation & Return (Line 3 + 9)		162,009	159,094	157,149	156,744	156,340	155,936	947,272	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.7761% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Estimated/Actual Period April through September 1995

Clean Closure Equivalency (Project No. 4)

Line No.	Description	Beginning of Period	April Actual	May Actual	June Estimated	July Estimated	August Estimated	September Estimated	Total	Line No.
1.	Investment		0	(5,641)	0	0	0	0	(5,641)	1.
2.	Depreciation Base		64,507	58,866	58,866	58,866	58,866	58,866	n/a	2.
(1) 3.	Depreciation Expense		201	181	188	188	188	188	1,134	3.
4.	Cumulative Investment (Line 2)	64,507	64,507	58,866	58,866	58,866	58,866	58,866	n/a	4.
5.	Less: Accumulated Depreciation	2,027	2,228	2,409	2,597	2,785	2,972	3,160	n/a	5.
6.	Net Investment (Line 4 - 5)	62,480	62,279	56,457	56,269	56,081	55,893	55,705	n/a	6.
7.	Average Net Investment		62,379	59,368	56,363	56,175	55,987	55,799		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.7761% /12)		248	236	224	224	223	222	1,377	8a.
(2) b.	Equity Component grossed up for taxes		404	385	365	364	363	362	2,242	8b.
c.	Debt Component (Line 7 * 3.3510% /12)		181	166	157	157	156	156	973	8c.
9.	Total Return Requirements (Line 8b + 8c)		585	550	523	521	519	517	3,216	9.
10.	Total Depreciation & Return (Line 3 + 9)		786	732	710	709	707	705	4,349	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.7761% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-POP-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Estimated/Actual Period April through September 1995

Maintenance of Above Ground Storage Tanks (Project No. 5)

Line No.	Description	Beginning of Period	April Actual	May Actual	June Estimated	July Estimated	August Estimated	September Estimated	Total	Line No.
1.	Investment		527,265	310,918	0	246,000	250,000	400,000	1,734,183	1.
2.	Depreciation Base		2,694,239	3,005,157	3,005,157	3,251,157	3,501,157	3,901,157	n/a	2.
(1) 3.	Depreciation Expense		8,334	9,492	9,921	10,231	10,885	11,829	60,692	3.
4.	Cumulative Investment (Line 2)	2,166,974	2,694,239	3,005,157	3,005,157	3,251,157	3,501,157	3,901,157	n/a	4.
5.	Less: Accumulated Depreciation	21,512	29,846	39,338	49,259	59,490	70,375	82,204	n/a	5.
6.	Net Investment (Line 4 - 5)	2,145,462	2,664,393	2,965,819	2,955,898	3,191,667	3,430,782	3,818,953	n/a	6.
7.	Average Net Investment		2,404,928	2,815,106	2,960,858	3,073,783	3,311,224	3,624,867		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.7761% /12)		9,573	11,204	11,784	12,234	13,179	14,427	72,402	8a.
(2) b.	Equity Component grossed up for taxes		15,586	18,241	19,185	19,917	21,455	23,488	117,871	8b.
c.	Debt Component (Line 7 * 3.3510% /12)		6,986	7,861	8,268	8,584	9,247	10,122	51,068	8c.
9.	Total Return Requirements (Line 8b + 8c)		22,572	26,102	27,453	28,500	30,702	33,610	168,939	9.
10.	Total Depreciation & Return (Line 3 + 9)		30,906	35,594	37,374	38,731	41,587	45,439	229,631	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.7761% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Estimated/Actual Period April through September 1995

Relocate Turbine Oil Underground Piping (Project No. 7)

Line No.	Description	Beginning of Period	April Actual	May Actual	June Estimated	July Estimated	August Estimated	September Estimated	Total	Line No.
1.	Investment		0	0	0	0	0	0	0	1.
2.	Depreciation Base		31,030	31,030	31,030	31,030	31,030	31,030	n/a	2.
(1) 3.	Depreciation Expense		88	88	88	88	88	88	528	3.
4.	Cumulative Investment (Line 2)	31,030	31,030	31,030	31,030	31,030	31,030	31,030	n/a	4.
5.	Less: Accumulated Depreciation	1,774	1,862	1,950	2,038	2,126	2,214	2,302	n/a	5.
6.	Net Investment (Line 4 - 5)	29,256	29,168	29,080	28,992	28,904	28,816	28,728	n/a	6.
7.	Average Net Investment		29,212	29,124	29,036	28,948	28,860	28,772		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.7761% /12)		116	116	116	115	115	115	692	8a.
(2) b.	Equity Component grossed up for taxes		189	189	188	188	187	186	1,127	8b.
c.	Debt Component (Line 7 * 3.3510% /12)		85	81	81	81	81	80	489	8c.
9.	Total Return Requirements (Line 8b + 8c)		274	270	269	268	268	267	1,616	9.
10.	Total Depreciation & Return (Line 3 + 9)		362	358	357	356	356	355	2,144	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this calculation uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.7761% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Estimated/Actual Period April through September 1995

Oil Spill Cleanup/Response Equipment (Project No. 8)

Line No.	Description	Beginning of Period	April Actual	May Actual	June Estimated	July Estimated	August Estimated	September Estimated	Total	Line No.
1.	Investment		0	0	0	0	0	0	0	1.
2.	Depreciation Base		536,899	536,899	536,899	536,899	536,899	536,899	n/a	2.
(1) 3.	Depreciation Expense		6,485	6,485	7,637	6,649	6,649	6,649	40,554	3.
4.	Cumulative Investment (Line 2)	536,899	536,899	536,899	536,899	536,899	536,899	536,899	n/a	4.
5.	Less: Accumulated Depreciation	121,661	128,146	134,630	142,267	148,917	155,566	162,215	n/a	5.
6.	Net Investment (Line 4 - 5)	415,237	408,753	402,268	394,631	387,982	381,332	374,683	n/a	6.
7.	Average Net Investment		411,995	405,510	398,450	391,306	384,657	378,008		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.7761% /12)		1,640	1,614	1,586	1,557	1,531	1,505	9,433	8a.
(2) b.	Equity Component grossed up for taxes		2,670	2,628	2,582	2,536	2,492	2,449	15,357	8b.
c.	Debt Component (Line 7 * 3.3510% /12)		1,197	1,132	1,113	1,093	1,074	1,056	6,664	8c.
9.	Total Return Requirements (Line 8b + 8c)		3,867	3,760	3,694	3,628	3,567	3,505	22,021	9.
10.	Total Depreciation & Return (Line 3 + 9)		10,351	10,245	11,331	10,278	10,216	10,154	62,575	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.7761% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Estimated/Actual Period April through September 1995

Relocate Storm Water Runoff (Project No. 10)

Line No.	Description	Beginning of Period	April Actual	May Actual	June Estimated	July Estimated	August Estimated	September Estimated	Total	Line No.
1.	Investment		0	0	0	0	0	0	0	1.
2.	Depreciation Base		117,794	117,794	117,794	117,794	117,794	117,794	n/a	2.
(1) 3.	Depreciation Expense		270	270	270	270	270	270	1,621	3.
4.	Cumulative Investment (Line 2)	117,794	117,794	117,794	117,794	117,794	117,794	117,794	n/a	4.
5.	Less: Accumulated Depreciation	3,051	3,321	3,591	3,861	4,131	4,401	4,671	n/a	5.
6.	Net Investment (Line 4 - 5)	114,743	114,473	114,203	113,933	113,663	113,393	113,123	n/a	6.
7.	Average Net Investment		114,608	114,338	114,068	113,798	113,528	113,258		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.7761% /12)		456	455	454	453	452	451	2,721	8a.
(2) b.	Equity Component grossed up for taxes		743	741	739	737	736	734	4,430	8b.
c.	Debt Component (Line 7 * 3.3510% /12)		333	319	319	318	317	316	1,922	8c.
9.	Total Return Requirements (Line 8b + 8c)		1,076	1,060	1,058	1,055	1,053	1,050	6,351	9.
10.	Total Depreciation & Return (Line 3 + 9)		1,346	1,330	1,328	1,325	1,323	1,320	7,972	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.7761% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.



Florida Power & Light Company  
 Schedule of Capital Investment Depreciation and Return  
 For the Estimated/Actual Period April through September 1995

Scherer Discharge Pipeline (Project No. 12)

Line No.	Description	Beginning of Period	April Actual	May Actual	June Estimated	July Estimated	August Estimated	September Estimated	Total	Line No.
1.	Investment		2,187	(788)	0	0	0	0	1,399	1.
2.	Depreciation Base		854,153	853,365	853,365	853,365	853,365	853,365	n/a	2.
(1) 3.	Depreciation Expense		2,186	2,188	2,187	2,187	2,187	2,187	13,123	3.
4.	Cumulative Investment (Line 2)	861,903	864,090	863,302	863,302	863,302	863,302	863,302	n/a	4.
5.	Less: Accumulated Depreciation	22,222	24,408	26,596	28,783	30,971	33,158	35,345	n/a	5.
6.	Net Investment (Line 4 - 5)	839,681	839,682	836,706	834,519	832,332	830,144	827,957	n/a	6.
7.	Average Net Investment		839,682	838,194	835,612	833,425	831,238	829,051		7.
8.	Return on Average Net Investment									8.
(3) a.	Equity Component (Line 7 * 4.7761% /12)		3,343	3,336	3,326	3,317	3,308	3,300	19,930	8a.
(2) b.	Equity Component grossed up for taxes		5,442	5,431	5,414	5,400	5,386	5,372	32,445	8b.
c.	Debt Component (Line 7 * 3.3510% /12)		2,439	2,341	2,333	2,327	2,321	2,315	14,077	8c.
9.	Total Return Requirements (Line 8b + 8c)		7,881	7,772	7,748	7,728	7,707	7,687	46,522	9.
10.	Total Depreciation & Return (Line 3 + 9)		10,067	9,960	9,935	9,915	9,894	9,874	59,645	10.

(1) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

(2) The gross-up factor (Line 8b) used for this schedule uses 0.61425 which reflects the Federal Income Tax Rate of 35%.

(3) The monthly Equity Component of 4.7761% reflects a 12% return on equity and is in accordance with FPSC Order No. PSC-93-1580-FOF-EI.

Note - Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. The amounts recorded and shown above apply to the prior month.

Florida Power & Light Company  
 Schedule of Negative Return on  
 Deferred Gain on Sales of Emission Allowances  
 For the Estimated/Actual Period April through September 1995

Line No.	Description	Beginning of Period	Actual April	Actual May	Estimated June	Estimated July	Estimated August	Estimated September	Total	Line No.
1	Additions			(\$213,935)						
2	Net Investment	(\$482,020)	(\$482,020)	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)		1
3	Average Net Investment		(\$482,020)	(\$588,987)	(\$695,955)	(\$695,955)	(\$695,955)	(\$695,955)	n/a	2
4	Return on Average Net Investment (a)									3
	a. Equity Component (Line 3 x 4.7769% /12) *		(1,918)	(2,344)	(2,770)	(2,770)	(2,770)	(2,770)	(15,343)	4
	b. Equity Comp. grossed up for taxes (Line 4a/.61425)		(3,123)	(3,816)	(4,509)	(4,509)	(4,509)	(4,509)	(24,978)	
	c. Debt Component (Line 3 x 3.4859% /12)*		(1,346)	(1,645)	(1,943)	(1,943)	(1,943)	(1,943)	(10,765)	
5	<b>Total Return Requirements (Line 4b + 4c)</b>		<b>(4,470)</b>	<b>(5,461)</b>	<b>(6,453)</b>	<b>(6,453)</b>	<b>(6,453)</b>	<b>(6,453)</b>	<b>(35,743)</b>	5

\* The Equity and Debt Component have been updated to reflect December 31, 1994 cost rates as filed in the Monthly Rate of Return Surveillance Report.

W. M. REICHEL

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**FLORIDA POWER & LIGHT COMPANY**

**TESTIMONY OF W. M. REICHEL**

**DOCKET NO. 950007-EI**

**JUNE 20, 1995**

1    **Q.    Please state your name.**

2    A.    My name is William M. Reichel and my business address is 700  
3           Universe Boulevard, Juno Beach, Florida 33408.

4

5    **Q.    By whom are you employed and in what capacity?**

6    A.    I am employed by Florida Power & Light Company (FPL) as the  
7           Manager of Operations Services in the Power Generation Business  
8           Unit.

9

10   **Q.    Please summarize your educational background and professional  
11           experience.**

12   A.    I received my Bachelor of Science degrees in Aerospace  
13           Engineering and Mechanical Engineering from the University of  
14           Florida in 1970 and 1971, respectively. From January 1973 to date  
15           I have been employed by FPL in the Power Generation area. I  
16           started as Plant Engineer at the Lauderdale Power Plant and have

1 held various supervisory positions in plant operations including  
2 Plant Manager of the Riviera Power Plant. I am now Manager of  
3 Operations Services with responsibility for supporting all fossil  
4 power plants in the areas of thermal performance testing, chemistry,  
5 operational support and emissions testing. Included in my duties is  
6 support for Clean Air Act implementation activities and other air  
7 regulatory issues.

8

9 **Q. What is the purpose of your testimony?**

10 A. The purpose of my testimony is to submit for Commission Review  
11 and approval a description of one new environmental compliance  
12 action, National Pollutant Discharge Elimination System (NPDES)  
13 permit fees, and a clarification of the scope of one existing  
14 activity, Maintenance of Stationary Above Ground Fuel Storage  
15 Tanks. In addition, I am providing a project description and  
16 progress status for each environmental compliance activity.

17

18 **NPDES PERMIT FEES**

19

20 **Q. Please generally describe the scope of this project.**

21 A. FPL is seeking recovery of the cost of annual regulatory program  
22 and surveillance fees for wastewater permits. Specifically, these

1 fees have been established to recover from the regulated community  
2 the Florida Department of Environmental Protection's (FDEP) costs  
3 for administering the National Pollutant Discharge Elimination  
4 System (NPDES) program applicable to facilities and activities  
5 discharging to surface waters.

6  
7 **Q. Describe the regulations that address the need for these**  
8 **expenditures.**

9 **A.** The NPDES program was established by the U.S. Environmental  
10 Protection Agency (EPA) pursuant to the federal Clean Water Act.  
11 This program regulates discharges to surface waters from FPL  
12 facilities and had previously been administered by the EPA. Under  
13 the program, FPL had to apply for a permit (the NPDES permit) to  
14 make such discharges, and any discharges made had to be  
15 monitored, reported and maintained within certain limits, as  
16 specified in the permit. Coincident with this permitting program,  
17 the State of Florida regulated discharges of industrial wastewater  
18 from FPL facilities under a separate permitting program. On May  
19 1, 1995, the EPA approved the application by the State of Florida  
20 to administer the NPDES program in lieu of the EPA. This will  
21 replace the state's industrial wastewater program and will allow  
22 FPL's water discharges to be subject to a single regulatory program.

1           The State of Florida established Rule 62-4.052, F.A.C. (See  
2           Document 1) , which became effective on April 30, 1995, to require  
3           that annual regulatory program and surveillance fees be paid in  
4           addition to the application fees described in Rule 62-4.050. This  
5           requirement implements the legislative intent of Section 403.087(5),  
6           Florida Statutes, that the FDEP's cost of administering the NPDES  
7           program be borne by the regulated parties.

8

9           **Q.    How are these fees established?**

- 10          **A.    Rule 62-4.052(6) F.A.C. establishes a set of fees based upon the**  
11           **group classifications used in Rule 62-4.050(4)(c), F.A.C., and the**  
12           **classification of Minor or Major as defined in Rule 62-620.200(22),**  
13           **F.A.C. . FPL's power plants, except for the Turkey Point Plant, fall**  
14           **into Group 1 and are classified as Major, which sets their annual**  
15           **fee at \$11,500 each. The Turkey Point Plant is permitted to**  
16           **discharge to surface waters only for emergencies, and it is therefore**  
17           **subject to Rule 62-4.052(8)(c) F.A.C., which establishes an annual**  
18           **fee of \$200. Other FPL facilities subject to these fees include**  
19           **petroleum contaminated ground water clean up projects authorized**  
20           **to discharge to surface waters for more than 30 days under the**  
21           **general permit for petroleum fuel contaminated ground water clean**  
22           **up. According to Rule 62-4.052(9), the annual fee for each of these**

1 projects is \$2,850.

2

3 **Q. What are the total anticipated cost of these NPDES permit fees for**  
4 **FPL?**

5 A. The fees for 1995 have been pro-rated to reflect the effective date  
6 of the NPDES program delegation to FDEP by the EPA, which  
7 occurred on May 1, 1995. The invoice for these fees from the  
8 FDEP is expected in the near future and must be paid before the  
9 end of July 1995. Based upon the 12 power plants with NPDES  
10 permits, and including Turkey Point Plant and two anticipated  
11 petroleum contaminated ground water clean up projects discharging  
12 to surface water, the pro-rated annual fee for 1995 is expected to be  
13 \$95,958. In 1996, FPL expects to pay \$132,400. Per Rule 62-  
14 4.052(2)(b), the 1996 fee will be due and payable no later than  
15 January 15, 1996.

16

17

18 **MAINTENANCE OF STATIONARY ABOVE GROUND FUEL**  
19 **STORAGE TANKS**

20

21 **Q. Can you please clarify the scope of this project as relates to closure**  
22 **assessment?**



1     A.     In my direct testimony in Docket 930661-EI, filed July 7, 1993  
2             requesting approval of the Maintenance of Stationary Above  
3             Ground Fuel Storage Tanks project, I indicated that the regulatory  
4             requirements pertaining to this project are contained in Chapter 62-  
5             762,F.A.C., which require a closure assessment prior to closure of  
6             above ground storage tanks or installation of secondary  
7             containment. These secondary containment structures and tank  
8             closures are part of FPL's Maintenance of Stationary Above Ground  
9             Fuel Storage Tank program.

10  
11            In addition, Rule 62-762.820, F.A.C., (Document 2) requires that  
12            when evidence of a discharge from a storage tank system is  
13            discovered, e.g., through the conduct of a closure assessment, the  
14            owner or operator shall contain, remove and abate the discharge.  
15            Therefore, where it is necessary or appropriate to do so, FPL  
16            requests that the cost to clean up fuel oil discharges from its above  
17            ground fuel storage tanks should be included within the scope of  
18            the Maintenance of Above Ground Fuel Storage Tanks activity for  
19            which environmental cost recovery has been previously approved.

20  
21     **Q.     How were discharges form above ground fuel storage tanks**  
22             **addressed prior to the promulgation of Chapter 62-762, F.A.C.?**

1 A. In the past, following removal of recoverable product, FPL would  
2 allow discharges of Number 6 fuel oil to combine with the soil and  
3 remain in place. Number 6 fuel oil is extremely viscous and upon  
4 penetration of the soil it forms an asphalt-like material. In this  
5 form, it does not contribute to pollution, and our policy was  
6 therefore not believed to result in environmental degradation. Our  
7 current interpretation of Rule 62-762.820 is that FPL no longer has  
8 that option, but must notify the FDEP of positive responses from  
9 leak detection devices or evidence of a discharge, such as stained  
10 soil or odors observed during closure assessments. Once reported,  
11 the discharge must be cleaned up to the satisfaction of the FDEP.

12  
13 **Q. What costs does FPL anticipate for clean up of fuel discharges?**

14 A. We have not projected any costs at this time, but we do anticipate  
15 that costs of this type will be incurred in the future. In addition,  
16 the cost of some clean-up activities may qualify for reimbursement  
17 under either the state's Early Detection Incentive (EDI) or  
18 Petroleum Liability Insurance and Restoration Program (PLIRP)  
19 provisions. In those cases, only those portions of the costs not  
20 allowed by FDEP for reimbursement under either of those programs  
21 would be charged to the Environmental Cost Recovery Clause.

22

1 Q. Are you sponsoring any additional exhibits?

2 A. Yes, I am sponsoring Document No. 3 which provides detailed  
3 information concerning all the projects.

4

5 Q. Does this conclude your testimony?

6 A. Yes, it does.

## PERMITS

DEP 62-4.050(7)

4/95

### PART I: GENERAL

(7) Modifications to existing permits proposed by the permittee which require substantial changes in the existing permit or require substantial evaluation by the Department of potential impacts of the proposed modifications shall require the same fee as a new application for the same time duration except for modification under Chapter 62-45, F.A.C.

(8) The difference between the processing fee for applications for individual permits and the processing fee for general permits shall be refunded only for those applications that qualify for a general permit solely as a result of a change in Department rules while the application is being processed. Processing fees for applications for individual permits shall not be refunded in whole or in part where an applicant modifies a project to qualify for a general permit when the project did not qualify for a general permit when processing commenced.

Specific Authority: 373.418, 403.061, 403.087, 403.704(30), F.S.

Law Implemented: 373.309, 373.418, 403.021, 403.031, 403.061, 403.087, 403.0877, 403.088, 403.722, 403.861(7), 403.921, F.S.

History: New 5-17-72, Amended 6-19-74, 7-8-82, Formerly 17-4.05, Amended 11-15-87, 8-31-88, 10-3-88, 4-4-89, 3-19-90, 6-11-90, 3-7-91, 3-18-91, 5-30-91, 10-30-91, 11-16-92, 12-21-92, 7-11-93, 2-2-94, Formerly 17-4.050, Amended 11-23-94, 4-30-95.

#### 62-4.052 Regulatory Program and Surveillance Fees for Domestic and Industrial Wastewater Facilities and Activities Discharging to Surface Waters.

(1) Scope and Intent. As authorized in Section 403.087(5), F.S., this rule implements annual regulatory program and surveillance fees (annual fees) for wastewater permits. These fees are in addition to the application fees described in Rule 62-4.050, F.A.C., and effect the legislative intent that the Department's costs for administering the National Pollutant Discharge Elimination System (NPDES) be borne by regulated parties. As such, the annual fees are applicable only to wastewater facilities and activities subject to regulation under Chapter 62-620, F.A.C., pursuant to Section 403.0885, F.S., and the NPDES program.

(2) Annual fees for the regulatory program and surveillance of wastewater facilities are not refundable and shall be due and payable as follows:

(a) In the initial year the Department administers the NPDES program, annual fees shall be required for all facilities which have an NPDES permit for which the Department is granted administrative authority and shall be due and payable no later than 90 days after EPA authorizes the Department to administer the program. The amount due shall be the applicable annual fee described in Subsections (5), (6), (8), (9), or (11) of this section, pro-rated to the portion of the calendar year for which the Department is granted authority to administer the NPDES program.

(b) In all subsequent years, the entire annual fee shall be due and payable no later than January 15 each year for all facilities that are subject to regulation under Section 403.0885, F.S., on that date.

(c) When a new wastewater facility or activity is issued a permit under Chapter 62-620, F.A.C., pursuant to Section 403.0885, F.S., the first annual fee shall be due no later

## PART I: GENERAL

than 60 days after permit issuance. The amount due shall be the applicable annual fee described in Subsections (5), (6), (8), (9), or (11) of this section, prorated to the portion of the calendar year in which the permit is issued. Thereafter, the fee shall be due and payable pursuant to Paragraph (b) above.

(d) When a new wastewater facility or activity is provided notice of coverage by the Department under the general permit for petroleum fuel contaminated ground water clean up, the first annual fee shall be due no later than 60 days after notice of coverage is received by the permittee. The amount due shall be the applicable annual fee under this section, pro-rated to the remaining portion of the calendar year in which general permit coverage is obtained. Thereafter, the fee shall be due and payable pursuant to Paragraph (b) above.

(3) Non-payment or late payment of an annual fee shall be grounds for enforcement action pursuant to Sections 403.121, 403.141, and 403.161, F.S. Non-payment of an annual fee shall be grounds for revocation of the wastewater permit or denial of an application for renewal of the wastewater permit.

(4) When a permit is revised in a manner which places the facility in a different annual fee category, the fee shall be changed as appropriate and the new fee shall be due no later than the January 15 following permit revision.

(5) The annual fees for domestic wastewater facilities authorized to discharge to surface waters shall be based on the permitted capacity of the discharge to surface waters except for discharges to surface waters which serve as backup discharges for permitted reuse systems. The annual fees for permits to discharge to surface waters which serve as backup discharges for permitted reuse systems, including limited wet weather discharges, shall be based on an adjusted surface water discharge permitted capacity. This adjusted capacity shall be used only for the purpose of establishing the annual fee under this section. The adjusted surface water discharged permitted capacity shall be equal to the actual permitted capacity of the discharge to surface waters minus 70 percent of the permitted capacity of the reuse system for which the discharge to surface waters serves as a backup:

(a) 20 mgd and above.	\$7,000
(b) 10 mgd up to, but less than, 20 mgd.	\$6,750
(c) 5 mgd up to, but less than, 10 mgd.	\$6,500
(d) 2 mgd up to, but less than, 5 mgd.	\$6,250
(e) 1 mgd up to, but less than, 2 mgd.	\$6,000
(f) 0.5 mgd up to, but less than, 1 mgd.	\$5,625
(g) 0.1 mgd up to, but less than, 0.5 mgd.	\$3,375
(h) 0.025 mgd up to, but less than, 0.1 mgd.	\$1,125
(i) 0.010 mgd up to, but less than, 0.025 mgd.	\$300

## PERMITS

## PART I: GENERAL

(j) Less than 0.010 mgd.

\$200

(6) The annual fees for industrial wastewater facilities or activities permitted to discharge to surface waters are based, using only their discharges to surface waters, on the group classifications used in Rule 62-4.050(4)(c)1. through 7., F.A.C., and the classification of Minor or Major as defined in Rule 62-620.200(22), F.A.C., and are as follows:

	Major	Minor
(a) Group 1	\$11,500	\$8,600
(b) Group 2	\$7,700	\$5,800
(c) Group 3	\$3,800	\$2,900
(d) Group 4	\$3,800	\$2,900
(e) Group 5A	\$9,200	\$6,900
(f) Group 5B	\$6,100	\$4,600
(g) Group 5C	\$3,100	\$2,300
(h) Group 5D	\$1,150	\$850
(i) Group 6A	\$9,200	\$6,900
(j) Group 6B	\$4,600	\$3,500
(k) Group 6C	\$2,300	\$1,700
(l) Group 6D	\$800	\$600
(m) Group 7A	\$7,700	\$5,800
(n) Group 7B	\$4,600	\$3,500
(o) Group 7C	\$3,100	\$2,300
(p) Group 7D	\$1,500	\$1,100

(7) The following provisions apply in specific circumstances:

(a) A permitted facility which falls in more than one of the fee categories in Subsections (5) or (6) shall not be subject to multiple fees, but shall pay the larger of the fees. However, multiple wastewater permits issued pursuant to Chapter 62-620, F.A.C., authorizing discharges to surface waters through a common outfall shall be subject to individual fees;

## PART I: GENERAL

(b) When a facility has a discharge to surface water consisting of stormwater only which is regulated by the EPA, no annual fee shall be required; and

(c) When the discharge to surface waters consists of both stormwater and wastewater, the annual fee for categories which vary according to the flow of the facility shall be based on the volume of the wastewater permitted to be discharged. However, facilities with stormwater-only discharges regulated in its wastewater permit pursuant to Section 62-620.445, F.A.C., shall pay additional \$200 per outfall per year, up to the maximum amount set forth in Section 403.087(5), F.S. The additional fee for stormwater-only discharges does not apply to internal stormwater streams.

(8) The annual fee for domestic or industrial wastewater facilities or activities which fall in one of the categories below shall be as follows:

(a) Facilities which use an underground injection well for effluent disposal and are permitted to discharge to surface water only during mechanical integrity tests. \$200

(b) Facilities which use evaporation/percolation ponds or holding ponds and land application as their primary means of disposal and are permitted to discharge to surface waters only after storm events or during control structure testing, as specified in the permit:

1. that do not include effluent limitations on internal waste streams established to protect surface water quality. \$200

2. that include effluent limitations on internal waste streams established to protect surface water quality. \$2400

(c) Facilities which are permitted to discharge to surface waters only for emergencies, as specified in the permit. \$200

(d) The annual fees described in Paragraphs (a) and (b) of this subsection shall be the only annual fee for such facilities and shall be due and payable regardless of whether a discharge actually occurs during the year.

(9) The annual fee for petroleum contaminated ground water clean up projects authorized to discharge to surface waters for more than 30 days under the general permit for petroleum fuel contaminated ground water clean up is \$2,850 annually. There shall be no annual fee for projects authorized to discharge to surface water for less than 30 days or for discharges of uncontaminated produced ground water.

(10) There shall be no annual fee for use of the general permits in Chapter 62-660, F.A.C.

(11) In addition to any annual fees described in Subsections (5) and (8) of this section, a municipality which has an approved pretreatment program shall pay an additional \$500 annually.

Specific Authority: 403.061, 403.087(5), F.S.  
Law Implemented: 403.087(5), 403.0885, F.S.  
History: New 4-30-95.

## ABOVEGROUND STORAGE TANK SYSTEMS

DER 17-762.820

3/93

### 17-762.820 Discharge Response.

(1) When evidence of a discharge from a storage tank system is discovered and reported in accordance with Rule 17-762.460, F.A.C., the owner or operator shall remove as much of the pollutant from the system as is necessary to prevent further release to the environment. Fire, explosion, and vapor hazards shall be identified and mitigated. The storage tank system shall be repaired, if possible, in accordance with Rule 17-762.700, F.A.C. If the storage tank system cannot be repaired, it shall be closed in accordance with Rule 17-762.800(2), F.A.C.

(2) Any owner or operator of a facility discharging a pollutant shall immediately undertake to contain, remove, and abate the discharge in accordance with Chapters 376 and 403, F.S. If the contamination present is subject to the provisions of Chapter 17-770, F.A.C., corrective action shall be conducted in accordance with that clean-up criteria rule.

(3) Owners or operators shall follow the procedures specified in this section when significant loss investigations confirm a discharge.

Specific Authority: 376.303, F.S.  
Law Implemented: 376.303, F.S.  
History: New 3-12-91.

---

### 17-762.840 Locally Administered Programs.

(1) Pursuant to Section 376.3073, F.S., the Department may contract with local governments for the administration of certain departmental responsibilities under this rule. A list of participating locally administered programs may be obtained from the Department.

(2) Final agency action related to the functions which may be carried out by a locally administered program shall be taken by the Department.

(3) This section does not apply to local governments with approved local programs authorized pursuant to Section 376.317, F.S., except to the extent that those local governments have contracted with the Department for specific duties. Those local programs may have independent authority to take final action related to their ordinances. Final agency action resulting from a contracted function will continue to be taken by the Department.

Specific Authority: 376.303, F.S.  
Law Implemented: 376.303, F.S.  
History: New 3-12-91.

---



## FLORIDA POWER & LIGHT COMPANY PROJECT DESCRIPTION AND PROGRESS

**Project Title:** Air Operating Permit Fees

**Project Description:**

The Clean Air Act Amendments of 1990, Public Law 101-549, and Florida Statutes 403.0872, require each major source of air pollution to pay an annual license fee. The amount of the fee is based on each source's previous year's emissions. It is calculated by multiplying the applicable annual operation license fee factor (\$25 per ton for both Florida and Georgia) by the tons of each air pollutant emitted by the unit during the previous year and regulated in each unit's air operating permit, up to a total of 4,000 tons per pollutant. The major regulated pollutants at the present time are sulfur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>) and particulate matter. The fee covers units in FPL's service area, as well as Unit 4 of Plant Scherer located in Juliette, Georgia, within the Georgia Power Company service area. Scherer Unit 4's annual air operating permit fee is currently \$300,000. FPL's share of ownership of that unit is 76.36%. The fees for FPL's units are paid to the Florida Department of Environmental Protection (FDEP) generally in February of each year, whereas FPL pays its share of the fees for Scherer Unit 4 to Georgia Power Company on a monthly basis.

**Project Accomplishments:**

The 1994 air operating permit fees for FPL were calculated in January 1995 utilizing 1994 operating information. They were paid to the FDEP in February 1995. FPL paid \$4,108 per month over the period April through May 1995 for its share of the air operating permit fee for Scherer 4. In June the monthly payment to Georgia Power Company increased to \$4,773 due to an increase in FPL's share of ownership of Scherer 4 from 65.72% to 76.36%, effective June 1, 1995. This is FPL's final ownership share of Scherer 4.

**Project Fiscal Expenditures:**

The actual/estimated air operating permit fee expenditures for the period April through September 1995 are expected to be \$26,643 which represents payments to Georgia Power Company for FPL's share of Scherer 4. The projected expenditures were \$27,307. The variance is only (\$664).

**Project Progress Summary:**

The 1994 air operating permit fee for FPL's power plants was paid in February 1995. FPL is continuing monthly payments to Georgia Power Company for its share of the air operating permit fee for Unit 4 of Plant Scherer. FPL will pay the 1995 air operating permit fee for its units to the State of Florida in February 1996.

**Project Projections:**

Total projected air operating fees for the period October 1995 through March 1996 are \$1,971,950.

## FLORIDA POWER & LIGHT COMPANY PROJECT DESCRIPTION AND PROGRESS

**Project Title:** Low NO<sub>x</sub> Burner Technology (LNBT)

**Project Description:**

Under Title I of the Clean Air Act Amendments of 1990, Public Law 101-349, utilities with units located in areas designated as "non-attainment" for ozone will be required to reduce NO<sub>x</sub> emissions. The Dade, Broward and Palm Beach County areas are classified as "moderate" non-attainment by the EPA. FPL has six units in this affected area.

LNBT meets the requirement to reduce NO<sub>x</sub> emissions by delaying the mixing of the fuel and air at the burner, creating a staged combustion process along the length of the flame. NO<sub>x</sub> formation is reduced because peak flame temperatures and availability of oxygen for combustion is reduced in the initial stages.

**Project Accomplishments:**

Project accomplishments for the period April through June 1995 included placing the final unit, Turkey Point Unit 1, in-service in April 1995.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures (depreciation and return) for the period April through September 1995 are expected to be \$1,233,058. Projected fiscal expenditures were expected to be \$1,494,462 for a variance of (\$261,404). This variance is due to in-service delays on Turkey Point Unit 2. Originally, this unit was expected to be placed in-service in December 1994. However, actual in-service was delayed until February 1995. Additionally, the vendor has been unable to meet the acceptance testing specified in the contract, thus creating a delay in the final progress payments. The final payments on all units are now estimated to be made in the third and fourth quarters of 1995.

**Project Progress Summary:**

The new burners have been installed at all six units. The final acceptance testings, which include final vendor payments, are scheduled for later this year.

**Project Projections:**

Estimated project fiscal expenditures (depreciation and return) for the period October 1995 through April 1996 are expected to be \$1,360,112.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

**Project Title:** Continuous Emission Monitoring Systems - O & M

**Project Description:**

The Clean Air Act Amendments of 1990, Public Law 101-549, established requirements for the monitoring, recordkeeping and reporting of SO<sub>2</sub>, NO<sub>x</sub> and carbon dioxide (CO<sub>2</sub>) emissions, as well as volumetric flow and opacity data from affected air pollution sources. FPL has 32 units which are affected and which must install CEMS to comply with these requirements.

40 C.F.R. Part 75 includes the general requirements for the installation, certification, operation and maintenance of CEMS and specific requirements for the monitoring of pollutants, opacity and volumetric flow. Periodically, these systems extract and analyze gaseous samples for each power plant stack and have automated data acquisition and reporting capability. Operation and maintenance of these systems in accordance with the provisions of 40 CFR Part 75 will be an ongoing activity following their installation.

**Project Accomplishments:**

Hardware and software training has been conducted. Certification testing has been completed on 21 CEM systems. Quality assurance activities have begun as required by 40 CFR Part 75 (e.g., inspections, maintenance, calibrations, linearity checks, etc.). The first quarterly reports were submitted to the EPA.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures for the period April through September 1995 are expected to be \$424,047, versus estimated expenditures of \$322,700. The variance of \$101,347 is the result of earlier than anticipated software upgrade requirements as a result of new EPA rulings published in 1995.

**Project Progress Summary:**

Training and certification testing of 21 systems have been completed. Quality assurance activities have begun.

**Project Projections:**

Estimated project fiscal expenditures for the period October 1995 through April 1996 are expected to be \$208,518.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

Florida Power & Light Co.  
FPSC Docket No. 950007-EI  
Exhibit No. \_\_\_\_\_  
Testimony of W. M. Reichel  
June 20, 1995  
Document No. 3  
Page 5 of 23

**Project Title:** Continuous Emission Monitoring System (CEMS) - Capital

**Project Description:**

The Clean Air Act Amendments of 1990, Public Law 101-549, established requirements for the monitoring, recordkeeping and reporting of SO<sub>2</sub>, NO<sub>x</sub> and carbon dioxide (CO<sub>2</sub>) emissions, as well as volumetric flow and opacity data from affected air pollution sources. FPL has 32 units which are affected and which must install CEMS to comply with these requirements.

40 CFR Part 75 includes the general requirements for the installation, certification, operation and maintenance of CEMS and specific requirements for the monitoring of pollutants, opacity and volumetric flow. These regulations are very comprehensive and specific as to the requirements for CEMS, and in essence, they define the components needed and their configuration. Periodically, these systems extract and analyze gaseous samples for each power plant stack and have automated data acquisition and reporting capability.

**Project Accomplishments:**

Final installation of all units was completed during the October 1994 through March 1995 reporting period.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures (depreciation and return) for the period April through September 1995 are expected to be \$947,272. Projected fiscal expenditures were expected to be \$1,034,247, for a variance of (\$86,975). This variance is the result of in-service delays on Scherer Unit 4 and St. Johns River Power Park Units 1 and 2. Additionally, final vendor payments on Turkey Point Unit 2, Putnam Units 1 and 2 and Cutler Units 5 and 6 have been moved out until June 1995. The vendor is continuing to address contractual requirements.

**Project Progress Summary:**

Installation of hardware and required construction is complete on all units. FPL has applied for EPA certification on all units and is awaiting final approvals.

**Project Projections:**

Estimated project fiscal expenditures (depreciation and return) for the period October 1995 through April 1996 are \$928,874.

## FLORIDA POWER & LIGHT COMPANY PROJECT DESCRIPTION AND PROGRESS

**Project Title:** Clean Closure Equivalency Demonstration  
(CCED) - O&M

### **Project Description:**

In compliance with 40 CFR 270.1(c)(5) and (6), FPL is developing CCED's for nine FPL power plants to demonstrate to the U.S. EPA that no hazardous waste or hazardous constituents above levels which represent a threat to human health or the environment remain in the soil or water beneath the basins which had, in the past, been used to treat corrosive hazardous waste. The basins, which are still operational as part of the wastewater treatment systems at these plants, are no longer used to treat hazardous waste.

To demonstrate clean closure, soil sampling and ground water monitoring plans, implementation schedules and related reports and analytical data must be submitted to the EPA. The cost of complying are those associated with developing the plans and reports, installing monitoring wells, and sampling and analyzing soil samples and quarterly ground water samples.

### **Project Accomplishments:**

Activities on the CCED's for the Putnam, Martin and Manatee Plants began prior to April 13, 1993. The final CCED report for the Martin Plant was submitted to the EPA in December 1994. Preparation of the final CCED reports for Manatee and Putnam is expected to continue during the April through September 1995 period. Additional sampling and analyses for these two sites may be necessary during this period.

Fourth quarter CCED sampling and analytical activities for the Sanford, Cape Canaveral, Port Everglades and St. Lucie Plants occurred during the October 1994 through March 1995 period. Report preparation will continue during the April through September 1995 period. Preparation of the final CCED reports for these four plants will begin during this period.

### **Project Fiscal Expenditures:**

Estimated/actual project fiscal expenditures for the period from April through September 1995 are expected to be \$131,385, or \$44,615 less than projected, due to delays in the schedule. These schedule delays were caused by resource constraints and additional time required for resolution of technical issues being negotiated with the EPA. Issues associated with RCRA Corrective Action and attendant potential implications relevant to CCED's, as well as coordination requirements associated with the transitioning of CCED authority from the EPA to the Florida Department of Environmental Protection (FDEP), also impacted the CCED schedule.

**Project Progress Summary:**

As of March 1995, one plant is through the CCED process, pending a final decision from the EPA. Of the remaining eight plants, two are approximately 95% through the CCED process, four are approximately 75% through the process and two are at the beginning of the process. These estimates assume that all sites will "clean close" without complications.

**Project Projections:**

Estimated project fiscal expenditures during the period October 1995 through March 1996 are expected to be \$165,929.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

**Project Title:** Clean Closure Equivalency Demonstration  
(CCED) - Capital

**Project Description:**

In compliance with 40 CFR 270.1(c)(5) and (6), FPL is developing CCED's for nine FPL power plants to demonstrate to the U.S. EPA that no hazardous waste or hazardous constituents remain in the soil or water beneath the basins which had been used in the past to treat corrosive hazardous waste. The basins, which are still operational as part of the wastewater treatment systems at these plants, are no longer used to treat hazardous waste.

To demonstrate clean closure, soil sampling and ground water monitoring plans, implementation schedules, and related reports must be submitted to the EPA. Capital costs are for the installation of monitoring wells (typically four per site) necessary to collect ground water samples for analysis.

**Project Accomplishments:**

Expenditures for the monitoring wells for the Putnam, Martin, Manatee and Sanford Plants were made prior to April 13, 1993, and are therefore not included for recovery in the Environmental Cost Recovery Clause.

Monitoring wells for the Cape Canaveral, Port Everglades and St. Lucie Plants were completed during the October 1993 through March 1994 period.

Monitoring wells for the Turkey Point Plant were completed during the October 1994 through March 1995 period.

Monitoring wells for the Fort Myers Plant have been postponed and are not presently scheduled.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures (depreciation and return) for the period April through September 1995 are expected to be \$4,349, or \$3,612 less than estimated, due to delays in the schedule.

**Project Progress Summary:**

Monitoring wells have been completed and are in-service at eight of the plants. Completion of wells at the Fort Myers Plant has been postponed and are not currently scheduled.



**Project Projections:**

Estimated project fiscal expenditures (depreciation and return) for the period October 1995 through March 1996 are expected to be \$4,202.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

**Project Title:** Maintenance of Stationary Above Ground Fuel  
Storage Tanks - O&M

**Project Description:**

Florida Administrative Code (F.A.C.) Chapter 17-762, which became effective on March 12, 1991, provides standards for the maintenance of stationary above ground fuel storage tank systems. These standards impose various implementation schedules for inspections/repairs and upgrades to fuel storage tanks.

The O&M expenditures relate to required inspections and repairs of the tanks and maintenance of additional equipment.

**Project Accomplishments:**

Work continued on a number of individual projects involving the cleaning, inspection or testing and repair of above ground fuel storage tank and pipe systems. The major project which will be completed during the period April through September 1995 is the replacement of the roof on Tank 1 at the Boca Grande Terminal.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures for the period April through September 1995 are expected to be \$473,080, or \$5,918 less than previously projected.

**Project Progress Summary:**

FPL has completed the inspection and upgrade of approximately 50% of its tanks.

**Project Projections:**

Estimated project fiscal expenditures for the period October 1995 through March 1996 are expected to be \$465,360.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

**Project Title:** Maintenance of Stationary Above Ground  
Fuel Storage Tanks - Capital

**Project Description:**

Florida Administrative Code (F.A.C.) Chapter 17-762, which became effective on March 12, 1991, provides standards for the maintenance of stationary above ground fuel storage tank systems. These standards impose various implementation schedules for inspections/repairs and upgrades to fuel storage tanks.

The capital project associated with complying with the new standards includes the installation of items for each tank such as liners, cathodic protection systems and tank high-level alarms.

**Project Accomplishments:**

The following major projects were, or are expected to be, placed in-service during the period April through September 1995:

- Sanford Plant Metering Tank 4 Liner
- Martin Plant Metering Tank 1 Liner
- Boca Grande Terminal Tank 1 Liner
- Fort Myers Plant Tank 2 Liner
- Sanford Plant Tank A Liner

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures (depreciation and return) for April through September 1995 are expected to be \$229,631, or \$11,124 less than projected.

**Project Progress Summary:**

FPL has completed inspection and upgrade of approximately 50% of its tanks.

**Project Projections:**

Estimated project fiscal expenditures (depreciation and return) for the period October 1995 through March 1996 are expected to be \$317,628.

## FLORIDA POWER & LIGHT COMPANY PROJECT DESCRIPTION AND PROGRESS

**Project Title:** Relocate Turbine Lube Oil Underground Piping to  
Above Ground

**Project Description:**

In accordance with criteria contained in Chapter 62-762 of the Florida Administrative Code (F.A.C.) for storage of pollutants, FPL initiated the replacement of underground Turbine Lube Oil piping to above ground installations at the St. Lucie Nuclear Power Plant.

**Project Accomplishments:**

The piping relocation on Unit 1 was completed in May, 1993. Approximately 200 feet of small bore pipe was installed above ground. The Unit 2 piping relocation project was cancelled after a system review. The analysis identified the turbine lube oil piping system as piping associated with a flow through process storage tank system, rendering it exempt from Chapter 17-762 F.A.C. requirements.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures (depreciation and return) for the period April through September 1995 are expected to be \$2,144 which is \$6 lower than originally projected.

**Project Progress Summary:**

This project is complete.

**Project Projections:**

Estimated project fiscal expenditures (depreciation and return) for the period October 1995 through March 1996 are expected to be \$2,115.

## FLORIDA POWER & LIGHT COMPANY PROJECT DESCRIPTION AND PROGRESS

**Project Title:** Oil Spill Cleanup/Response Equipment - O&M

**Project Description:**

The Oil Pollution Act of 1990 (OPA '90) mandates that all liable parties in the petroleum handling industry file plans by August 18, 1993. In these plans a liable party must identify (among other items) its spill management team, organization, resources and training. Within this project, FPL developed the plans for 10 power plants, 5 fuel oil terminals, three pipelines, and one corporate plan. Additionally FPL purchased the mandated response resources and provided for mobilization to a worst case discharge at each site.

**Project Accomplishments:**

Plan development started in 1992 and continued through August 1993. Updates will continue to be filed for all sites as required. Future costs will be incurred to meet maintenance requirements of the equipment, training of site and corporate teams, site drills and equipment deployment exercises, corporate table top exercises, major equipment deployment drills and periodic updates to all plans.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures for the period April through September 1995 are expected to be \$113,608, or \$30,610 more than previously projected. The costs for the June 1995 Corporate Oil Spill Drill will be expensed during this period. This higher level of expenditure is offset by the underrun from the previous projection period.

**Project Progress Summary:**

Through June 1995, all deadlines, both state and federal, have been met. The plan updates have been completed and a corporate table-top oil spill drill was conducted in June 1995. Ongoing costs will be annual in nature and will consist of plan updates, drills, exercises and equipment upgrades/replacements.

**Project Projections:**

Estimated project fiscal expenditures for the period October 1995 through March 1996 are expected to be \$79,236.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

**Project Title:** Oil Spill Cleanup/Response Equipment - Capital

**Project Description:**

The Oil Pollution Act of 1990 (OPA '90) mandates that all liable parties in the petroleum handling industry file plans by August 18, 1993. In these plans a liable party must identify (among other items) its spill management team, organization, resources and training. Within this project, FPL developed the plans for 10 power plants, 5 fuel oil terminals, three pipelines, and one corporate plan. Additionally, FPL purchased the mandated response resources and provided for mobilization to a worst case discharge at each site.

**Project Accomplishments:**

Plan development started in 1992 and continued through August 1993. Updates will continue to be filed for all sites as required. Equipment to meet mandated response capability was originally going to be funded through a industry limited partnership by March 1993. However, prior to March 1993 the industry partnership was abandoned, and FPL determined the least-cost alternative to be ownership of its own equipment.

Appropriate response equipment has been purchased and placed in-service. Future costs may be incurred to replace or upgrade response resources.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures (depreciation and return) for the period April through September 1995 are expected to be \$62,575, or \$140 less than projected.

**Project Progress Summary:**

Through June 1995, all deadlines, both state and federal, have been met. Ongoing costs will be annual in nature and will consist of equipment upgrades/replacements.

**Project Projections:**

Estimated project fiscal expenditures (depreciation and return) for the period October 1995 through March 1996 are expected to be \$66,594.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

**Project Title:** Oil Spill Cleanup/Response Equipment - Revenue

**Project Description:**

The oil spill cleanup/response equipment purchased by FPL to comply with the Oil Pollution Act of 1990 (OPA '90) was rented to a company called Maritrans which had a vessel involved in the August 10, 1993, Tampa Bay oil spill. Since the purchase of this equipment has been included in the Environmental Cost Recovery Clause, any proceeds received from the rental of the equipment, less FPL expenses, have been included as a credit under the clause.

**Project Fiscal Expenditures:**

Additional revenues of \$9,822 will be credited to the clause during the period April through September 1995 to true-up the revenues actually received to those credited to the clause in prior periods.

**Project Progress Summary:**

This project is complete, and the additional revenue reflects the correction of an error made in the posting of the dollars from the job order to the revenue account.

**Project Projections:**

No future revenues from the support of the Maritrans clean up are anticipated.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

Florida Power & Light Co.  
FPSC Docket No. 950007-EI  
Exhibit No. \_\_\_\_\_  
Testimony of W. M. Reichel  
June 20, 1995  
Document No. 3  
Page 16 of 23

**Project Title:** Low-Level Waste Access Fees

**Project Description:**

Florida Power & Light Company is required to pay Low-Level Waste Access fees for the development of a second regional disposal facility in order to be able to dispose of its low-level radioactive waste at the Barnwell, South Carolina, Low-Level Waste Disposal Site. No other disposal sites are available to FPL for disposal of low-level radioactive waste.

The Low-Level Waste Access fees are invoiced and paid quarterly. The fees are calculated and assessed according to a fixed formula that is applied to all Southeast Compact low-level waste generators. The amount of the fee depends upon the volume of low-level waste that FPL disposes of at the Barnwell Low-Level Waste Disposal Facility vs. the volume of low-level waste disposed of at Barnwell by all Southeast Compact generators.

**Project Accomplishments:**

The Low-Level Waste Access Fees are currently authorized to be assessed and collected from Southeast LLW generators through 1995 under a resolution enacted by the Southeast Compact Commission. Consequently, FPL is projecting the continued payment of these fees on a quarterly basis.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures for the period April through September 1995 are expected to be \$153,288 or \$42,794 less than originally projected. This underrun can be attributed to lower shipments of waste volume than originally projected.

**Project Progress Summary:**

Florida Power and Light expects to continue making quarterly Low Level Access Fees payments through 1995.

**Project Projections:**

Estimated project fiscal expenditures for the period October 1995 through March 1996 are expected to be \$68,528.



**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

Florida Power & Light Co.  
FPSC Docket No. 950007-EI  
Exhibit No. \_\_\_\_\_  
Testimony of W. M. Reichel  
June 20, 1995  
Document No. 3  
Page 17 of 23

**Project Title:** Relocate Storm Water Runoff

**Project Description:**

The new National Pollutant Discharge Elimination System (NPDES) permit, Permit No. FL0002206, for the St. Lucie Plant, issued by the United States Environmental Protection Agency contains new effluent discharge limitations for industrial-related storm water from the paint and land utilization building areas. The new requirements became effective on January 1, 1994. As a result of these new requirements, the effected areas were surveyed, graded, excavated and paved as necessary to clean and redirect the storm water runoff. The storm water runoff will be collected and discharged to existing water catch basins on site.

**Project Accomplishments:**

The rerouting of the storm water runoff was substantially completed and placed in-service in January 1994. The remaining elements of the project were completed in April 1994.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures (depreciation and return) for the period April through September 1995 are expected to be \$7,972 or \$696 less than originally projected. This underrun can be attributed to the recalculation of project base costs for St. Lucie Unit 2 participant owners' credits which were excluded from the original projection.

**Project Progress Summary:**

The rerouting of the storm water runoff project is complete.

**Project Projections:**

Estimated project fiscal expenditures (depreciation and return) for the period October 1995 through March 1996 are expected to be \$7,909.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

Florida Power & Light Co.  
FPSC Docket No. 950007-EI  
Exhibit No. \_\_\_\_\_  
Testimony of W. M. Reichel  
June 20, 1995  
Document No. 3  
Page 18 of 23

**Project Title:** Sulfur Dioxide (SO<sub>2</sub>) Allowances

**Project Description:**

The Clean Air Act Amendments of 1990, Public Law 101-549 Section 416, established a U.S. Environmental Protection Agency (EPA) tracking system for managing domestic air pollution sources emitting sulfur dioxide, a regulated pollutant. In brief, historical power plant operating data regarding fuel type and quantity burned are used to determine the tons of annual SO<sub>2</sub> emissions that may be emitted from a facility or generating system. Each ton of SO<sub>2</sub> to be emitted corresponds to one EPA SO<sub>2</sub> emissions "allowance". These allowances may be freely bought and sold, within certain constraints, to minimize the cost of environmental compliance using a free market-based approach. FPL was allocated allowances for its use beginning in the year 2000. However, the law established a mechanism for an annual auction to assure the availability of these required allowances to parties that had no historical emissions, or that needed to increase their total annual emissions now or in the future. To establish a "pool" of available allowances for the auction, EPA withheld a percentage of all allowances, with compensation for the original allowance holder to be made following their sale to the highest bidder at the annual auction.

**Project Accomplishments:**

Auctions of emission allowances were conducted by the U.S. EPA in March of 1993, 1994 and 1995. FPL has received the revenues for the allowances sold at these auctions and is recording the proceeds as negative return on investment in accordance with the Commission's order dated April 6, 1994.

**Project Fiscal Expenditures:**

Actual/estimated negative return on investment for the period April through September 1995 is expected to be (\$35,743). This represents a variance of \$2,375 which is attributable to later receipt of these revenues than estimated.

**Project Progress Summary:**

Revenues from the three auctions of allowances held to date have been received and are being recorded in accordance with the Commission's order.

**Project Projections:**

Projections of anticipated revenues from any future auctions are problematic due to the nature of the auction process. Based upon prior experience, however, FPL could expect to receive approximately \$200,000 in one of the subsequent months from the auction of allowances

which will occur in March 1996. The estimated negative return on investment for the period October 1995 through March 1996 is expected to be (\$38,839).

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

**Project Title:** Scherer Discharge Pipeline - Capital

**Project Description:**

On March 16, 1992, pursuant to the provisions of the Georgia Water Quality control Act, as amended, the Federal Clean Water Act, as amended, and the rules and regulations promulgated thereunder, the Georgia Department of Natural Resources issued the National Pollutant Discharge Elimination System (NPDES) permit for Plant Scherer to Georgia Power Company. In addition to the permit, the Department issued Administrative Order EPD-WQ-1855 which provided a schedule for compliance by April 1, 1994 with new facility discharge limitations to Berry Creek. As a result of these new limitations, and pursuant to the order, Georgia Power Company was required to construct an alternate outfall to redirect certain wastewater discharges to the Ocmulgee River. Pursuant to the ownership agreement with Georgia Power Company for Scherer Unit 4, FPL is required to pay for its share of construction of the discharge pipeline which will constitute the alternate outfall.

**Project Accomplishments:**

The discharge pipeline was placed in-service in February 1994.

**Project Fiscal Expenditures:**

Actual/estimated project fiscal expenditures (depreciation and return) for the period April through September 1995 are expected to be \$59,645, which is \$516 higher than projected.

**Project Progress Summary:**

Installation of the discharge pipeline is complete, and it was placed in-service in February 1994.

**Project Projections:**

Estimated project expenditures (depreciation and return) for the period October 1995 through March 1996 are expected to be \$58,939.

**Project Projections:**

Estimated project fiscal expenditures for the period October 1995 through March 1996 are expected to be \$1,699,000.

**FLORIDA POWER & LIGHT COMPANY  
PROJECT DESCRIPTION AND PROGRESS**

**Project Title:** NPDES Permit Fees - O & M

**Project Description:**

In compliance with State of Florida Rule 62-4.052, Florida Power & Light Company (FPL) is required to pay annual regulatory program and surveillance fees for any permits it requires to discharge wastewater to surface waters under the National Pollution Discharge Elimination System. These fees effect the Florida legislature's intent that the Florida Department of Environmental Protection's (FDEP) costs for administering the NPDES program be borne by the regulated parties, as applicable. The fees for each permit type are as set forth in the rule, with an effective date of May 1, 1995, for their implementation. After the first year, annual fees are due and payable to the FDEP by January 15th of each year.

**Project Accomplishments:**

The FDEP will be sending an invoice to FPL shortly for the 1995 NPDES permit fee payment. This must be paid prior to the end of July. The 1995 payment reflects permits for 13 power plants and two petroleum-contaminated groundwater clean-up sites authorized to discharge to surface waters for more than 30 days under the general permit for petroleum fuel contaminated groundwater clean up.

**Project Fiscal Expenditures:**

Estimated/actual project fiscal expenditures for the period from April through September are expected to be \$95,958. This is a new activity which has not been previously reported upon.

**Project Progress Summary:**

This is a new activity under the Environmental Cost Recovery Clause. FPL anticipates paying the initial NPDES permit fees to the FDEP some time during the month of July.

**Project Projections:**

Estimated project fiscal expenditures during the period October 1995 through April 1996 are expected to be \$132,400.

