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Tallahassee, Florida

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FILE COPY

June 20, 1995

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. 950001-EI**

Dear Ms. Bayó:

Enclosed for filing please find the original and fifteen (15) copies of Florida Power & Light Company's Petition For The Approval Of Its Levelized Fuel Recovery Charge, Oil Backout Cost Recovery Factor, Capacity Cost Recovery Factors, and GPIF Targets in the above referenced docket.

Also enclosed please find the original and fifteen (15) copies of the Testimony of R. Silva, B. T. Birkett and C. Villard.

Very truly yours,

Matthew M. Childs
Matthew M. Childs, P.A.

Childs
DOCUMENT NUMBER-DATE

05801 JUN 20 95

FPSC-RECORDS/REPORTING

Birkett
DOCUMENT NUMBER-DATE

05800 JUN 20 95

FPSC-RECORDS/REPORTING

- ACC ✓
- ATT 2
- APP
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- MAIL
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- ADMIN

Childs

cc: All Parties of Record

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FPSC-BUREAU OF RECORDS

Petition
DOCUMENT NUMBER-DATE

05799 JUN 20 95

FPSC-RECORDS/REPORTING

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL
FILE COPY

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

DOCKET NO. 950001-EI
FILED: JUNE 20, 1995

**PETITION OF FLORIDA POWER & LIGHT COMPANY
FOR APPROVAL OF ITS LEVELIZED FUEL COST RECOVERY FACTORS,
OIL BACKOUT COST RECOVERY FACTOR, CAPACITY COST
RECOVERY FACTORS, AND GPIF TARGETS**

Florida Power & Light Company ("FPL"), pursuant to Order No. 9273 in Docket No. 74680-CI, Order No. 10093 in Docket No. 810001-EU, and Commission Directives of April 24 and April 30, 1980, together with Commission Rule 25-17.16, hereby petitions this Commission to approve 1.769 as its levelized fuel cost recovery charge for non-time differentiated rates and 1.812 cents per kWh and 1.754 cents per kWh as its levelized fuel recovery charges for the on-peak and off-peak periods respectively as its time differentiated rates, to approve a charge of .013 cents per kWh as its oil backout cost recovery factor and to approve the capacity cost recovery factors submitted as Attachment I to this Petition, all charges being for the October 1995 through March 1996, billing period effective starting with meter readings scheduled to be read on or after Cycle Day 3 through Cycle Day 2, and to continue these charges in effect until modified by subsequent order of this Commission. FPL also requests this Commission to approve the proposed Generation Performance Incentive Factor (GPIF) targets of 78.6% for weighted system equivalent availability and 9729 BTU/kWh for weighted system average net operating heat rate for the period

October 1, 1995 through March 31, 1996, all charges being for the October 1995 through March 1996, billing period, effective starting with meter readings scheduled to be read on or after Cycle Day 3 through Cycle Day 2, and to continue these charges in effect until modified by subsequent order of this Commission. The billing cycle may start before October 1, 1995, and the last cycle may be read after March 31, 1996, so that each customer is billed for six months regardless of when the adjustment factor became effective. In support of this Petition, FPL states:

1. The calculations of fuel costs for the period October 1995 through March 1996, are contained in Commission Schedules E1 through E10 and Schedule H1 (designated Minimum Filing Requirements by the Commission's April 24, 1989, Directive), which schedules are attached as Appendix II to the prepared written testimony of FPL witness B. T. Birkett filed in Docket No. 950001-EI, and are incorporated herein by reference.

2. The fuel factors developed and proposed by FPL for the period October 1995 through March 1996, reflect a final \$12,465,206 overrecovery for the October 1994 through March 1995 period and an estimated/actual \$50,864,415 underrecovery for the April 1995 through September 1995 period.

3. FPL is requesting to defer \$2.7 million in implementation costs associated with changing from an 18 month fuel cycle operation to a 24 month fuel cycle operation of St. Lucie Units 1 and 2. FPL proposes to recover these costs through the Fuel Cost Recovery Clause in 1998, the same time that the fuel savings are

realized by the customers. The fuel savings associated with changing from an 18 month fuel cycle operation to a 24 month fuel cycle is projected to be \$171 million through the year 2016.

4. The oil backout cost recovery factor of .013 cents per kWh for the October 1995 through March 1996 billing period was computed in accordance with Rule 25-17.16. The calculation of this levelized factor is contained in Appendix V to the testimony of B.T. Birkett and is incorporated herein by reference.

5. The capacity cost recovery factors for the period October 1995 through March 1996 are included as Attachment I to this Petition.

6. The GPIF targets for the period October 1995 through March 1996, are calculated in accordance with the methodology which is contained in the Generating Performance Incentive Factor Implementation Manual adopted by Order No. 10168 in Docket No. 810001-EU and as revised by Order No. 10912 entered in Docket No. 820001-EU on June 22, 1982.

7. A residential bill for 1,000 kWh for the period October 1995 through March 1996, will be \$75.69. The 1,000 kWh residential bill includes a base rate charge of \$47.38, a fuel recovery charge of \$17.73, a conservation charge of \$2.51, an oil backout charge of \$.13, a capacity cost recovery charge of \$6.94, an environmental cost recovery charge of \$.23, and Gross Receipt Tax of \$.77.

WHEREFORE, FPL respectfully requests this Commission to approve the fuel and purchased power cost recovery charges, the oil backout recovery charge, and the capacity cost recovery charges

requested herein for its October 1995 through March 1996, billing period based upon scheduled meter readings to be read on or after Cycle Day 3 through Cycle Day 2, and to continue these charges until modified by subsequent order of this Commission, and to approve the proposed GPIF targets of 78.6% for weighted system equivalent availability and 9729 BTU/kWh for weighted system average net operating heat rate for the period October 1, 1995 through March 31, 1996 and requests the Commission to rule that the recovery of \$2.7 million in implementation costs associated with changing from an 18 month fuel cycle to a 24 month fuel cycle at St. Lucie Units 1 and 2 is appropriate and that recovery should commence in 1998, the same time the projected fuel savings are to be realized by the customers.

DATED this 20th day of June 1995.

Respectfully submitted,

STEEL HECTOR & DAVIS
215 South Monroe Street
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Attorneys for Florida Power
& Light Company

By: 
Matthew M. Childs, P.A.

FLORIDA POWER & LIGHT COMPANY
CALCULATION OF CAPACITY PAYMENT RECOVERY FACTOR
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 Capacity Costs (\$)	(6) Projected Sales at Meter (kwh)	(7) Billing KW Load Factor (%)	(8) Projected Billed KW at Meter (kw)	(9) Capacity Recovery Factor (\$/kw)	(10) Capacity Recovery Factor (\$/kwh)
RS1	52.61176%	59.75817%	\$8,831,811	\$120,374,832	\$129,208,443	18,625,433,939	-	-	-	0.00694
GS1	6.39270%	7.10760%	\$1,073,103	\$14,317,308	\$15,390,409	2,263,121,828	-	-	-	0.00680
GSD1	23.26365%	19.09416%	\$3,905,125	\$38,462,623	\$42,367,748	8,235,764,345	56.31829%	16,680,517	2.54	-
OS2	0.02751%	0.02106%	\$4,618	\$42,423	\$47,041	9,944,074	-	-	-	0.00473
GSLD1/CS1	9.40266%	7.83977%	\$1,578,366	\$15,389,291	\$16,967,657	3,329,563,877	69.41038%	6,571,130	2.58	-
GSLD2/CS2	2.23883%	1.86681%	\$375,819	\$3,760,438	\$4,136,257	795,918,843	68.38804%	1,594,264	2.59	-
GSLD3/CS3	1.01159%	0.83727%	\$169,809	\$1,686,568	\$1,856,377	373,038,121	68.39021%	747,199	2.48	-
ISST1D	0.00220%	0.00192%	\$369	\$3,868	\$4,237	778,800	30.36443%	3,513	**	-
SST1T	0.09001%	0.09593%	\$15,109	\$193,238	\$208,347	33,194,335	11.36530%	400,092	**	-
SST1D	0.05983%	0.03275%	\$10,010	\$65,970	\$75,980	21,344,916	33.93085%	75,107	**	-
CILC D/CILC G	2.78839%	2.24708%	\$468,070	\$4,526,441	\$4,994,511	990,615,390	69.99705%	1,938,664	2.58	-
CILC T	1.34254%	0.97129%	\$225,364	\$1,956,533	\$2,181,897	495,082,850	76.93071%	881,567	2.48	-
MET	0.11261%	0.11124%	\$18,903	\$224,076	\$242,981	40,709,611	61.60404%	90,524	2.68	-
OL1/SL1	0.55303%	0.14085%	\$92,834	\$283,321	\$376,155	195,781,193	-	-	-	0.00192
SL2	0.10290%	0.07429%	\$17,273	\$149,647	\$166,920	36,428,878	-	-	-	0.00458
TOTAL			\$16,786,383	\$201,436,577	\$218,222,960	35,446,721,000		28,962,597		

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 Capacity Costs/13) * Col (1)
- (4) (Total Capacity Costs/13 * 12) * Col (2)
- (5) Col (3) + Col (4)
- (6) Projected kwh sales for the period October 1995 through March 1996
- (7) (1994 kWh sales / 8760 hours) / ((avg customer NCP) / (8760 hours))
- (8) Col (6) / ((7) * 730) For GSD-1, only 83.265% of KW are billed due to 10 KW exemption
- (9) Col (5) / (8)
- (10) Col (5) / (6)

CAPACITY RECOVERY FACTORS FOR STANDBY RATES

Reservation Demand =	$(\text{Total col 5}) / (\text{Doc 2, Total col 7}) / (10) / (\text{Doc 2, col 4})$	
Charge (RDC)	6 months	
Sum of Daily Demand =	$(\text{Total col 5}) / (\text{Doc 2, Total col 7}) / (21 \text{ onpeak days}) / (\text{Doc 2, col 4})$	
Charge (SDD)	6 months	
CAPACITY RECOVERY FACTOR		
	RDC ** (\$/kw)	SDD ** (\$/kw)
ISST1 (D)	\$0.33	\$0.15
SST1 (T)	\$0.31	\$0.15
SST1 (D)	\$0.32	\$0.15

**CERTIFICATE OF SERVICE
DOCKET NO. 950001-EI**

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Petition for Approval of its Levelized Fuel Cost Recovery Factors, Oil Backout Cost Recovery Factor, Capacity Cost Recovery Factors and GPIF Targets have been furnished by Hand Delivery** or U.S. Mail this 20th day of June, 1995, to the following:

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