

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power) DOCKET NO. 950001-EI
Cost Recovery Clause and) ORDER NO. PSC-95-1089-FOF-EI
Generating Performance Incentive) ISSUED: September 5, 1995
Factor.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
JOE A. GARCIA
DIANE K. KIESLING

APPEARANCES:

James A. McGee, Esquire, Post Office Box 14042, St. Petersburg, FL 33733-4042
On behalf of Florida Power Corporation.

Matthew M. Childs, P.A., Esquire, Steel Hector & Davis, 215 South Monroe Street, Suite 601, Tallahassee, FL 32301
On behalf of Florida Power & Light Company.

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On behalf of Florida Public Utilities Company.

Jeffrey A. Stone, Esquire, and Russell A. Badders, Esquire, of Beggs & Lane, 700 Blount Building, 3 West Garden Street, P.O. Box 12950, Pensacola, FL 32576-2950
On behalf of Gulf Power Company.

Lee L. Willis, Esquire, James D. Beasley, Esquire, Macfarlane Ausley Ferguson & McMullen Post Office Box 391 Tallahassee, Florida 32302
On behalf of Tampa Electric Company .

Joseph A. McGlothlin, Esquire, Vicki Gordon Kaufman, Esquire, McWhirter, Reeves, McGlothlin, Davidson, Rief & Bakas, 117 South Gadsden Street, Tallahassee, Florida 32301
On behalf of the Florida Industrial Power Users Group.

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FPSC-RECORDS/REPORTING

John Roger Howe, Esquire, Deputy Public Counsel, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida.

Vicki D. Johnson, Esquire, Florida Public Service Commission, Gerald L. Gunter Building, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commission Staff.

Prentice P. Pruitt, Esquire, Florida Public Service Commission, Gerald L. Gunter Building, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commissioners.

ORDER APPROVING PROJECTED EXPENDITURES AND TRUE-UP AMOUNTS FOR FUEL ADJUSTMENT FACTORS; GPIF TARGETS, RANGES, AND REWARDS; PROJECTED EXPENDITURES AND TRUE-UP AMOUNTS FOR OIL BACKOUT COST RECOVERY FACTORS; AND PROJECTED FACTORS; AND PROJECTED EXPENDITURES AND TRUE-UP AMOUNTS FOR CAPACITY COST RECOVERY FACTORS

BY THE COMMISSION:

As part of this Commission's continuing fuel cost recovery, oil backout cost recovery, capacity cost recovery, and environmental cost recovery proceedings, hearings are held semi-annually. Pursuant to notice, a hearing was held in this docket and in Docket No. 950007-EI August 9, 1995. The hearing addressed the issues set out in the body of the Prehearing Order, Order No. PSC-95-0946-PHO-EI, issued August 4, 1995. The participating parties stipulated to a resolution of all the issues presented, and we hereby approve the stipulations of all the parties as described below. The approved fuel, oil backout, and capacity cost recovery factors are set forth in Attachment 2 which is incorporated in this Order.

Generic Fuel Adjustment Issues

The parties agreed to, and we approve as appropriate, the following final fuel adjustment true-up amounts for the period October, 1994 through March, 1995:

FPC: \$2,021,123 underrecovery.

FPL: \$12,465,206 overrecovery.

FPUC: Marianna: \$66,717 overrecovery.
Fernandina Beach: \$86,437 overrecovery.

GULF: \$1,737,576 underrecovery.

TECO: \$5,963,794 underrecovery.

The parties agreed to, and we approve as appropriate the following estimated fuel adjustment true-up amounts for the period April, 1995 through September, 1995:

FPC: \$8,628,315 underrecovery.

FPL: \$50,864,415 underrecovery.

FPUC: Marianna: \$35,293 underrecovery.
Fernandina Beach: \$72,499 underrecovery.

GULF: \$875,443 underrecovery.

TECO: \$2,961,361 underrecovery.

The parties agreed to, and we approve as appropriate the total fuel adjustment true-up amounts to be collected during the period October, 1995 through March, 1996:

FPC: \$10,649,438 underrecovery.

FPL: \$38,399,209 underrecovery.

FPUC: Marianna: \$31,424 overrecovery.
Fernandina Beach: \$13,938 overrecovery.

GULF: \$2,613,019 underrecovery.

TECO: \$8,925,155 underrecovery.

The parties agreed to, and we approve as appropriate the following levelized fuel cost recovery factors for the period October, 1995 through March, 1996:

FPC: 1.783 cents per kwh.

FPL: 1.769 cents per kwh.

FPUC: Marianna: 2.819 cents per kwh.
Fernandina Beach: 3.612 cents per kwh.

GULF: 2.210 cents per kwh.

TECO: 2.365 cents per kwh.

For billing purposes, the new fuel adjustment charge, oil backout charge and capacity cost recovery charge shall be effective beginning with the specified fuel cycle and thereafter for the period October, 1995 through March, 1996. Billing cycles 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.

TECO's oil backout factor shall be collected during the period October, 1995 through December, 1995. Gulf's capacity factors shall be effective for the period October, 1995 through September, 1996.

The parties also agreed to, and we approve as appropriate, the following fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class:

FPC:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Line Loss Multiplier</u>
A.	Transmission	0.9800
B.	Distribution Primary	0.9900
C.	Distribution Secondary	1.0000
D.	Lighting Service	1.0000

FPL:

<u>Group</u>	<u>Multiplier</u>
A	1.00197
A-1	1.00197
B	1.00196
C	1.00171
D	0.99678
E	0.96190
F	0.99827

FPUC:

Marianna

<u>Rate Schedule</u>	<u>Multiplier</u>
RS	1.0126
GS	0.9963
GSD	0.9963
GSLD	0.9963
OL, OL-2	1.0126
SL-1, SL-2	0.9881

Fernandina Beach

All Rate Schedules	1.0000
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GULF: See table below:

Group	Rate Schedules	Line Loss Multipliers
A	RS, GS, GSD, SBS OSIII, OSIV	1.01228
B	LP, SBS	0.98106
C	PX, RTP, SBS	0.96230
D	OSI, OSII	1.01228

TECO:

	<u>Multiplier</u>
Group A	1.0064
Group A1	1.0064*
Group B	1.0012
Group C	0.9721

*Group A1 is based on Group A, 15% of On-Peak and 85% of Off-Peak.

Also, the parties stipulated that the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses are as follows:

FPC:

Fuel Cost Factors (cents per kwh)

Group	Delivery Voltage Level	Standard	Time Of Use	
			On-Peak	Off-Peak
A.	Transmission	1.750	2.140	1.591
B.	Distribution Primary	1.768	2.162	1.607
C.	Distribution Secondary	1.786	2.184	1.623
D.	Lighting Service	1.728		

FPL:

<u>GROUP</u>	<u>RATE SCHEDULE</u>	<u>AVERAGE FACTOR</u>	<u>FUEL RECOVERY LOSS MULTIPLIER</u>	<u>FUEL RECOVERY FACTOR</u>
A	RS-1,GS-1, SL-2	1.779	1.00197	1.773
A-1	SL-1,OL-1	1.763	1.00197	1.766
B	GSD-1	1.769	1.00196	1.773
C	GSLD-1 & CS-1	1.769	1.00171	1.772
D	GSLD-2, CS-2,OS-2 & MET	1.769	0.99678	1.764
E	GSLD-3 & CS-3	1.769	0.96190	1.702
A	RST-1,GST-1 ON-PEAK OFF-PEAK	1.812 1.754	1.00197 1.00197	1.815 1.757
B	GSDT-1 CILC-1 (G) ON-PEAK OFF-PEAK	1.812 1.754	1.00196 1.00196	1.815 1.757

<u>RATE GROUP</u>	<u>SCHEDULE</u>	<u>AVERAGE FACTOR</u>	<u>FUEL RECOVERY LOSS MULTIPLIER</u>	<u>FUEL RECOVERY FACTOR</u>
C	GSLDT-1 & CST-1			
	ON-PEAK	1.812	1.00171	1.815
	OFF-PEAK	1.754	1.00171	1.756
D	GSLDT-2 & CST-2			
	ON-PEAK	1.812	0.99678	1.806
	OFF-PEAK	1.754	0.99678	1.748
E	GSLDT-3, CST-3 CILC-1 (T) & ISST-1 (T)			
	ON-PEAK	1.812	0.96190	1.743
	OFF-PEAK	1.754	0.96190	1.687
F	CILC-1 (D) & ISST-1 (D)			
	ON-PEAK	1.812	0.99827	1.809
	OFF-PEAK	1.754	0.99827	1.750

FPUC:

Marianna

Rate Schedule

Adjustment

RS	4.875 cents per kwh
GS	4.657 cents per kwh
GSD	4.145 cents per kwh
GSLD	4.169 cents per kwh
OL, OL-2	2.938 cents per kwh
SL-1, SL-2	2.854 cents per kwh

Fernandina Beach

Rate Schedule

Adjustment

RS	5.228 cents per kwh
GS	5.292 cents per kwh
GSD	4.500 cents per kwh
OL, & SL	4.123 cents per kwh

GULF: See table below:

G r o u p	Rate Schedules*	Fuel Cost Factors Cents Per kwh		
		Standard	Time of Use	
			On-Peak	Off-Peak
A	RS, GS, GSD, SBS, OSIII, OSIV	2.237	2.315	2.209
B	LP, SBS	2.168	2.244	2.141
C	PX, RTP, SBS	2.127	2.201	2.100
D	OSI, OSII	2.232	N/A	N/A

*The recovery factor applicable to customers taking service under Rate Schedule SBS is determined as follows: customers with a Contract Demand in the range of 100 to 499 KW will use the recovery factor applicable to Rate Schedule GSD; customers with a Contract Demand in the range of 500 to 7,499 KW will use the recovery factor applicable to Rate Schedule LP; and customers with a Contract Demand over 7,499 KW will use the recovery factor applicable to Rate Schedule PX.

TECO:

	<u>Standard</u>	<u>On-Peak</u>	<u>Off-Peak</u>
Group A	2.380	2.597	2.297
Group A1	2.342	-	-
Group B	2.368	2.583	2.285
Group C	2.299	2.508	2.218

The parties agreed to, and we approve as appropriate the following revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of October, 1995 through March, 1996:

FPC: 1.00083
FPL: 1.01609
FPUC: Fernandina Beach: 1.01609
Marianna: 1.00083
GULF: 1.01609
TECO: 1.00083

COMPANY SPECIFIC FUEL ADJUSTMENT ISSUES

Florida Power and Light Company

The parties agreed to, and we approve as appropriate FPL's request to recover the costs associated with purchasing 462 rail cars for use at Plant Scherer through the Fuel and Purchased Power Cost Recovery Clause. Pursuant to Order 14546, issued July 8, 1985, unanticipated fuel-related costs not included in the computation of base rates may be considered for recovery through a utility's fuel clause. When economically beneficial to a utility's ratepayers, the cost of purchasing or leasing rail cars is considered to be a fuel-related expense that should be recovered through the fuel clause.

FPL projects that the purchase of 462 high capacity aluminum rail cars for delivery of coal to Plant Scherer at a cost of \$24,024,000 will save its ratepayers more than \$24 million above the cost of the rail cars. The purchase of these rail cars enabled FPL to obtain favorable transportation rate savings from railroad companies that exceed the recoverable cost of the purchase. On January 1, 1995, FPL began recovering the actual cost of the 462 rail cars. FPL will continue recovering these costs through its fuel clause, as they provide substantial savings in the form of reduced fuel costs to FPL's ratepayers. FPL will recover straight-line depreciation over 15 years, applicable taxes, and, until we revise FPL's capital ratios or its cost rates, a return on average investment at its current weighted average cost of capital of 9.2897%.

We approve the parties' stipulation that at this time, the impact of sales under FPL's Real Time Pricing - General Service (RTP-GX) is not of sufficient magnitude to necessitate adjustments to FPL's fuel cost recovery projections.

Also, the parties agreed that FPL will not recover the cost of implementing a change from an 18 month fuel cycle operation to a 24 month fuel cycle operation of St. Lucie Units 1 and 2 through the Fuel Cost Recovery Clause. While these implementation costs are generally recoverable through the fuel and purchased power cost recovery clause, it is not appropriate at this time to pre-approve recovery of the costs. Our determination of the appropriateness of these costs for recovery through the clause will be made at the time Florida Power and Light Company includes the costs in its fuel cost recovery projections.

Florida Power Corporation

In accordance with the agreement of the parties, we find that FPC can recover its cost of converting Intercession City combustion turbine units P7 and P9 to burn natural gas. The conversion is estimated to save FPC's ratepayers more than \$20 million over the next 5 years at a cost of approximately \$2.5 million. Order No. 14546, issued July 8, 1985, allows a utility to recover fossil-fuel related costs that result in fuel savings, even if those costs were not previously addressed in determining base rates. FPC may recover the projected cost of conversion through its fuel clause beginning July 1, 1995. The cost may be depreciated over the next five years using straight line depreciation. FPC may also recover a return on average investment at the rate authorized in Docket 910890-EI, 8.37%, as well as applicable taxes. Our staff will request an audit of actual costs once the conversion is complete to true-up original projections and to verify the prudence of the individual cost components included for recovery.

The parties stipulated that FPC may include the increase in fuel cost associated with the Auburndale Power Partners settlement in the Fuel and Purchased Power Cost Recovery Clause. We approved recovery of these costs at our August 1, 1995, Agenda Conference in Docket No. 950567-EQ.

We confirmed the validity of the methodology used to determine the equity component of Electric Fuels Corporation's capital structure for calendar year 1994. The appropriateness of the "short-cut" methodology used to determine the equity component of EFC's capital structure was confirmed in the annual audit by our staff of EFC's revenue requirements.

The parties also stipulated that FPC properly calculated the market price true-up for coal purchases from Powell Mountain. The calculation was made in accordance with the market pricing methodology approved by us in Docket No. 860001-EI-G.

Tampa Electric Company

There was no controversy among the parties regarding the 1994 benchmark price for coal Tampa Electric Company purchased from its affiliate, Gatliff Coal Company. We find the appropriate price is \$40.08/Ton. TECO's actual costs were below the 1994 benchmark.

The parties also agreed to, and we approve, the 1994 waterborne coal transportation benchmark price of \$25.70 for transportation services provided by TECO's affiliates. TECO's actual costs were below the 1994 benchmark.

The following issues will be deferred to the next fuel and purchased power cost recovery proceeding:

Should TECO separate Oil Backout Cost Recovery costs by wholesale and retail jurisdiction prior to calculating the oil backout factor?

Should TECO refund the non-jurisdictional portion of Oil Backout Cost Recovery costs previously recovered from its ratepayers?

Generic Generating Performance Incentive Factor Issues

There was no controversy among the parties as to the appropriate GPIF reward or penalty for past performance. The parties agreed to, and we approve, the following GPIF rewards or penalties for the period October, 1994 through March, 1995:

FPC: \$183,528 reward.
FPL: \$3,090,162 reward.
GULF: No reward or penalty.
TECO: \$471,209 penalty.

The parties also agreed to targets and ranges for the period October, 1995 through March, 1996. We approve those targets and ranges as follows:

FPC: See Staff Attachment 1, Page 2 of 2.

FPL: See Staff Attachment 1, Page 2 of 2.

GULF: The parties agreed to, and we approve, adjusting Gulf Power Company's reward/penalty amount for the October 1994 through March 1995 fuel adjustment period (winter 1994 period), because the change in Plant Daniel's fuel supply was not accounted for when the heat rate targets were set. Those targets were based on historical data (covering the months April 1991 through March 1994) that were not comparable to the data of that fuel adjustment period.

The historical period used for the targets now being set for the October 1995 through March 1996 fuel adjustment period (Winter 1995 period) is April 1992 through March 1995. The data for the first thirty months in the historical period are not comparable with the data for the other six months or with the data that will be generated by the actual performance of the units during the Winter 1995 period. Therefore, we are changing the October 1995 through March 1996 heat rate targets for the Daniel units to avoid a similar situation in the August 1996 fuel adjustment hearing. We approve removing Gulf Power Company's Plant Daniel heat rates from the GPIF for the winter 1995 period. (See Staff Attachment 1, Page 2 of 2.)

TECO: See Staff Attachment 1, Page 2 of 2.

Company-Specific GPIF Issues

Gulf Power Company

The parties have stipulated that Gulf Power Company's October 1994 through March 1995 GPIF amount will be adjusted to exclude Plant Daniel Unit 1 and Unit 2. For the months in the winter 1994 period, Gulf Power Company changed the fuel supply for Plant Daniel Units 1 and 2. The newer fuel type was of a lower BTU content and a higher moisture content than the fuel previously burned. The historical data used for establishing the forecasted heat rate was not comparable to the data generated by the performance of the

Daniel units during the winter 1994 period. As a result, the actual heat rates are higher than those forecasted. When a change in fuel supply occurs, the utility should adjust or eliminate the heat rate from the GPIF until there is enough historical data reflecting conditions comparable to the target period.

The company did not address the effects of the change in fuel supply until the true-up filing was filed in May 1995, well after the winter 1994 targets were set. Adjustment or elimination of targets should occur prior to the fuel adjustment proceeding in which the rewards or penalties are determined.

Based on the available data, we cannot determine which portion of the higher-than-forecasted heat rates are caused by the change in the fuel supply and which portion is caused by the actual performance of the units. Consequently, we approve the stipulation and find that Gulf should be given neither a reward nor a penalty.

Generic Oil Backout Issues

The parties agreed to, and we approve as appropriate the following final oil backout true-up amount for the October, 1994 through March, 1995 period:

FPL: Zero.

TECO: \$222,410 overrecovery.

The parties agreed to, and we approve as appropriate the following estimated oil backout true-up amount for the period April, 1995 through September, 1995:

FPL: Zero.

TECO: \$686,843 overrecovery.

The parties agreed to, and we approve as appropriate the following total oil backout true-up amount to be collected during the period October, 1995 through March, 1996:

FPL: Zero.

TECO: \$909,253 overrecovery. Pursuant to Order No. PSC-95-0580-FOF-EI issued in Docket No. 950379-EI on May 10, 1995, this amount will be collected during the period October 1, 1995 through December 31, 1995.

Further, the parties agreed to, and we approve as appropriate the following oil backout cost recovery factor for the period October, 1995 through March, 1996:

FPL: Zero.

TECO: .058 cents per kwh. Pursuant to Order No. PSC-95-0580-FOF-EI issued in Docket No. 950379-EI on May 10, 1995, this amount will be collected during the period October 1, 1995 through December 31, 1995.

Company Specific Oil Backout Issues

Florida Power & Light Company

We approve the parties stipulation that FPL's Oil Backout Clause will be eliminated in accordance with the following methodology:

Cost recovery through the oil-backout cost recovery clause, which is currently a rate of .012 cents per kwh, will cease with the final billing cycle in September 1995.

Any remaining true-up dollars related to oil-backout costs through September 1995 will be recovered or refunded as a one time line item adjustment to fuel costs through the fuel and purchased power cost recovery clause during the period April 1, 1996 through September 30, 1996.

Concurrent with ceasing recovery through the oil-backout cost recovery clause, the non-fuel energy charge for all base rates will be increased by .009 cents per kwh beginning with the first billing cycle in October 1995.

Beginning October 1995, for earning surveillance purposes, the oil-backout investment and expenses will be included as a part of regular operations in the rate base and the income statement.

Generic Capacity Cost Recovery Issues

The parties agreed that the following final capacity cost recovery true-up amounts are appropriate for the period October, 1994 through March, 1995, which we approve:

FPC: \$ 4,061,575 underrecovery.

FPL: \$4,856,873 overrecovery.

GULF: \$35,386 underrecovery.

TECO: \$667,853 underrecovery.

We approve the following estimated capacity cost recovery true-up amount for the period April, 1995 through September, 1995:

FPC: \$3,449,626 overrecovery.

FPL: \$7,472,759 underrecovery.

GULF: \$190,165 overrecovery.

TECO: \$622,234 overrecovery.

We also approve the following total capacity cost recovery true-up amount to be collected during the period October, 1995 through March, 1996:

FPC: \$611,949 underrecovery.

FPL: \$2,615,886 underrecovery.

GULF: \$154,779 overrecovery. To be collected during the period October 1995 through September 1996.

TECO: \$45,619 underrecovery.

We approve the following projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period October, 1995 through March, 1996:

FPC: \$122,003,909.
FPL: \$218,222,960.
GULF: \$11,805,117 for the period October, 1995 through September 1996.
TECO: \$11,347,579.

Finally, we approve the projected capacity cost recovery factors for the period October, 1995 through March, 1996:

FPC:

<u>Rate Class</u>	<u>Cents per kwh</u>
RS	1.073
GS-Trans.	.834
GS-Pri.	.843
GS-Sec.	.851
GS-100% L.F.	.587
GSD-Trans.	.699
GSD-Pri.	.706
GSD-Sec.	.713
CS-Trans.	.585
CS-Pri.	.591
CS-Sec.	.597
IS-Trans.	.586
IS-Pri.	.592
IS-Sec.	.598
Lighting	.214

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FPL:

<u>RATE CLASS</u>	<u>CAPACITY RECOVERY FACTOR (\$/KW)</u>	<u>CAPACITY RECOVERY FACTOR (\$/KWH)</u>
RS1	-	0.00694
GS1	-	0.00680
GSD1	2.54	-
OS2	-	0.00473
GSLD1/CS1	2.58	-
GSLD2/CS2	2.59	-
GSLD3/CS3	2.48	-
CILCD/CILCG	2.58	-
CILCT	2.48	-
MET	2.68	-
OL1/SL1	-	0.00192
SL2	-	0.00458

<u>RATE CLASS</u>	<u>CAPACITY RECOVERY FACTOR (RESERVATION DEMAND) CHARGE) (\$/KW)</u>	<u>CAPACITY RECOVERY FACTOR (SUM OF DAILY DEMAND CHARGE) (\$/KW)</u>
ISST1D	.33	.15
SST1T	.31	.15
SST1D	.32	.15

GULF:

<u>Rate Schedule</u>	<u>Recovery Factor (cents per kwh)</u>
RS, RST	.168
GS, GST	.165
GSD, GSDT	.128
LP, LPT, SBS	.111
PX, PXT, RTP, SBS	.089
OS-I, OS-II	.011
OS-III	.100
OS-IV	.011

TECO: The appropriate factors are as follows:

<u>Rate Schedules</u>	<u>Factor</u>
RS	.229 cents per kwh
GS, TS	.211 cents per kwh
GSD	.159 cents per kwh
GSLD, SBF	.145 cents per kwh
IS-1 & 3, SBI-1 & 3	.013 cents per kwh
SL, OL	.035 cents per kwh

Company Specific Capacity Cost Recovery Issues

Florida Power Corporation

We approve Florida Power Corporation's request to recover the Termination Payments associated with its settlement agreement with Auburndale Power Partners, Limited Partnership.

Gulf Power Company

We find it reasonable and appropriate for Gulf Power Company to change the cycle for setting the purchased power capacity cost recovery factors from two sets of six-month factors (October-March; April-September) to one set of twelve-month factors (October-September).

The nature of Gulf's purchased power capacity costs recovered through the capacity cost recovery factors, in conjunction with Gulf's seasonal differences in energy (kwh) sales, is such that the current six-month recovery cycle causes a major difference in the recovery factors between the April-September and the October-March recovery periods. Gulf's capacity costs and Kwh sales do not vary as widely from year to year as they do from one of the current six-month recovery periods to the next. By changing the recovery cycle to one set of twelve-month factors established on an annual basis, Gulf's customers will benefit because the resulting factors will be leveled over the year.

Generic Aerial Coal Inventory Issue

We approve the parties' agreement to permanently change the frequency of aerial coal inventory surveys from quarterly to semi-annually. In Order Number PSC-93-0443-FOF-EI, we approved a change in the frequency of aerial coal inventory surveys from quarterly to

semi-annually for a two year test period. We directed our staff to review the impact of less frequent surveys on inventory adjustments upon completion of this test period. Staff's analysis showed that performing aerial coal inventory surveys semi-annually as opposed to quarterly has had no significant impact on the coal inventory adjustments booked; therefore, we approve a permanent change in the frequency of aerial coal inventory surveys to semi-annually. In addition, each utility will provide aerial survey data to our Division of Electric and Gas upon performance of an aerial survey, whether or not the survey results in an adjustment to booked inventory. This will enable our staff to continue to monitor future coal inventory adjustments.

In consideration of the above, it is

ORDERED by the Florida Public Service Commission that the findings and stipulations set forth in the body of this Order are hereby approved. It is further

ORDERED that investor-owned electric utilities subject to our jurisdiction are hereby authorized to apply the fuel cost recovery factors set forth herein during the period of October, 1995 through March, 1996, and until such factors are modified by subsequent Order. It is further

ORDERED that the estimated true-up amounts contained in the above fuel cost recovery factors are hereby authorized subject to final true-up, and further subject to proof of the reasonableness and prudence of the expenditures upon which the amounts are based. It is further

ORDERED that the Generating Performance Incentive Factor rewards and penalty stated in the body of this Order shall be applied to the projected levelized fuel adjustment factors for the period of October, 1995 through March, 1996. It is further

ORDERED that the targets and ranges for the Generating Performance Incentive Factors set forth herein are hereby adopted for the period of October, 1995 through March, 1996. It is further

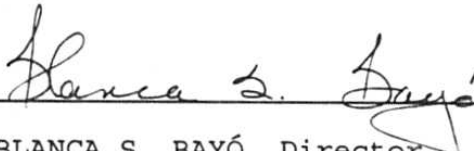
ORDERED that the estimated true-up amounts included in the above Oil Backout Cost Recovery Factors are hereby authorized subject to final true-up, and further subject to proof of the reasonableness and prudence of the expenditures upon which the amounts are based. It is further

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ORDERED that the investor-owned electric utilities, except for Gulf Power Company, are hereby authorized to apply the capacity cost recovery factors set forth herein during the period of October, 1995 through March, 1996 and until such factors are modified by subsequent Order. Gulf Power Company is authorized to apply its capacity cost recovery factors during the period October 1995 through September 1996. It is further

ORDERED that the estimated true-up amounts contained in the above capacity cost recovery factors are hereby authorized subject to final true-up, and further subject to proof of the reasonableness and prudence of the expenditures upon which the amounts are based.

By ORDER of the Florida Public Service Commission, this 5th day of September, 1995.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

VDJ, LW

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

GPIF REWARDS/PENALTIES
 October 1994 to March 1995

Florida Power Corporation	\$183,528	Reward
Florida Power and Light Company	\$3,090,162	Reward
Gulf Power Company	\$0	
Tampa Electric Company	\$471,209	Penalty

Utility/ Plant/Unit	EAF		Heat Rate	
	Target	Adj. Actual	Target	Adj. Actual
FPC				
Anclote 1	90.8	89.6	9,905	10,023
Anclote 2	96.7	99.4	9,805	10,053
Crystal River 1	73.9	78.5	10,177	10,218
Crystal River 2	70.4	58.1	9,975	9,871
Crystal River 3	92.8	99.0	10,400	10,364
Crystal River 4	94.2	97.6	9,289	9,327
Crystal River 5	72.8	75.8	9,247	9,253
FPL				
Cape Canaveral 1	92.4	91.3	9,291	9,111
Cape Canaveral 2	89.9	91.2	9,338	9,473
Fort Lauderdale 4	92.6	97.2	7,225	7,225
Fort Lauderdale 5	92.7	98.4	7,198	7,166
Fort Myers 2	93.3	95.7	9,294	9,466
Manatee 2	95.7	97.2	9,758	10,029
Port Everglades 3	94.5	94.7	9,307	9,308
Putnam 1	94.2	95.5	8,670	8,765
Riviera 3	90.9	96.3	9,713	9,466
Riviera 4	82.8	82.4	9,672	9,665
Sanford 4	94.6	98.5	9,755	9,821
Sanford 5	94.1	93.2	9,692	9,478
Scherer 4	84.3	84.0	9,833	9,814
St. Johns River 1	76.8	78.8	9,336	9,510
St. Johns River 2	95.1	96.3	9,375	9,420
St. Lucie 1	60.6	59.7	10,854	10,810
St. Lucie 2	91.6	97.2	10,763	10,869
Turkey Point 3	93.6	97.3	10,865	10,882
Turkey Point 4	60.6	60.3	11,002	10,862
Gulf				
Crist 6	83.6	87.6	10,410	10,341
Crist 7	69.2	88.1	10,317	10,110
Smith 1	87.7	90.7	10,137	10,228
Smith 2	84.8	86.9	10,237	10,303
Daniel 1	85.4	86.0	10,287	10,557
Daniel 2	94.8	88.2	9,923	10,130
TECO				
Big Bend 1	85.4	91.8	9,957	9,935
Big Bend 2	62.3	58.4	9,895	9,932
Big Bend 3	69.4	70.6	9,610	9,926
Big Bend 4	89.4	87.6	9,832	10,092
Gannon 5	88.1	94.2	10,454	10,524
Gannon 6	75.9	81.2	10,288	10,662

GPIF TARGETS
 October 1995 to March 1996

Utility/ Plant/Unit	Equivalent Availability			Staff	Heat Rate	
	Company	Company	Staff		Company	Staff
FPC	EA	POF	EUOF			
Anclote 1	98.7	1.1	0.2	Agree	9,679	Agree
Anclote 2	81.1	18.6	0.4	Agree	9,703	Agree
Crystal River 1	85.9	2.7	11.4	Agree	10,124	Agree
Crystal River 2	60.3	24.6	15.1	Agree	9,767	Agree
Crystal River 3	79.8	17.5	2.7	Agree	10,382	Agree
Crystal River 4	94.0	0.0	6.0	Agree	9,329	Agree
Crystal River 5	94.5	0.0	5.5	Agree	9,160	Agree
FPL	EA	POF	EUOF			
Cape Canaveral 1	91.1	0.0	8.9	Agree	9,330	Agree
Cape Canaveral 2	90.8	0.0	9.2	Agree	9,436	Agree
Fort Lauderdale 4	87.7	8.7	3.6	Agree	7,288	Agree
Fort Lauderdale 5	87.7	8.7	3.6	Agree	7,248	Agree
Fort Myers 2	94.1	0.0	5.9	Agree	9,308	Agree
Port Everglades 3	83.1	8.7	8.2	Agree	9,133	Agree
Port Everglades 4	96.0	0.0	4.0	Agree	9,132	Agree
Putnam 1	96.0	0.0	4.0	Agree	8,777	Agree
Putnam 2	95.3	0.0	4.7	Agree	8,596	Agree
Scherer 4	96.0	0.0	4.0	Agree	9,939	Agree
St. John's River 1	96.0	0.0	4.0	Agree	9,335	Agree
St. Lucie 1	89.6	3.3	7.1	Agree	10,828	Agree
St. Lucie 2	58.8	29.0	12.2	Agree	10,856	Agree
Turkey Point 1	82.9	13.7	3.4	Agree	9,279	Agree
Turkey Point 2	95.2	0.0	4.8	Agree	9,524	Agree
Turkey Point 3	79.8	14.8	5.4	Agree	10,874	Agree
Turkey Point 4	76.8	16.9	6.3	Agree	10,912	Agree
Gulf	EA	POF	EUOF			
Crist 6	88.9	4.4	6.7	Agree	10,892	Agree
Crist 7	44.3	44.3	11.5	Agree	10,898	Agree
Smith 1	95.9	0.6	3.5	Agree	10,144	Agree
Smith 2	84.7	13.7	1.7	Agree	10,166	Agree
Daniel 1	47.4	42.6	10.0	Agree	n/a	Agree
Daniel 2	80.3	14.2	5.5	Agree	n/a	Agree
TECO	EA	POF	EUOF			
Big Bend 1	85.4	0.0	14.6	Agree	9,931	Agree
Big Bend 2	67.9	21.3	10.8	Agree	9,837	Agree
Big Bend 3	87.4	0.0	12.6	Agree	9,596	Agree
Big Bend 4	82.9	8.7	8.4	Agree	9,989	Agree
Gannon 5	63.6	28.4	8.0	Agree	10,178	Agree
Gannon 6	81.9	3.8	14.3	Agree	10,348	Agree

RESIDENTIAL FUEL FACTORS FOR THE PERIOD: October 1995 – March 1996

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	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power	Florida Public Utilities (2)	
					Marianna	Fernandina
Present (cents per kwh): April – September 1995	1.747	1.894	2.401	2.343	5.151	5.036
Proposed (cents per kwh): October 1995 – March 1996	1.773	1.786	2.380	2.237	4.875	5.228
Increase/Decrease:	0.026	-0.108	-0.021	-0.106	-0.276	0.192

TOTAL COST FOR 1,000 KILLOWATT HOURS – RESIDENTIAL SERVICE

PRESENT: April – September 1995	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power	Florida Public Utilities (2)	
					Marianna	Fernandina
Base Rate	47.38	49.05	51.92	43.25	20.43	19.20
Fuel	17.47	18.94	24.01	23.43	51.51	50.36
Oil Backout	0.12	N/A	0.81	N/A	N/A	N/A
Energy Conservation	2.51	3.35	1.53	0.26	0.18	0.12
Environmental Cost Recovery	0.10	N/A	N/A	1.36	N/A	N/A
Capacity Recovery	4.15	9.18	1.87	0.70	NA	NA
Gross Receipts Tax (1)	0.74	2.06	2.05	0.71	1.85	0.71
Total	\$72.47	\$82.58	\$82.19	\$69.71	\$73.97	\$70.39

PROPOSED: October 1995 – March 1996	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power	Florida Public Utilities (2)	
					Marianna	Fernandina
Base Rate	47.47 (3)	49.05	51.92	43.25	20.43	19.20
Fuel	17.73	17.86	23.80	22.37	48.75	52.28
Oil Backout	N/A (3)	N/A	0.58 (4)	N/A	N/A	N/A
Energy Conservation	2.51	3.35	1.53	0.26	0.18	0.12
Environmental Cost Recovery	0.23	N/A	N/A	1.53	N/A	N/A
Capacity Recovery	6.94	10.73	2.29	1.68	N/A	N/A
Gross Receipts Tax (1)	0.77	2.08	2.05	0.71	1.78	0.73
Total	\$75.65	\$83.07	\$82.17	\$69.80	\$71.14	\$72.33

PROPOSED INCREASE / (DECREASE)	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power	Florida Public Utilities (2)	
					Marianna	Fernandina
Base Rate	0.09	0.00	0.00	0.00	0.00	0.00
Fuel	0.26	-1.08	-0.21	-1.06	-2.76	1.92
Oil Backout	-0.12	N/A	-0.23	N/A	N/A	N/A
Energy Conservation	0.00	0.00	0.00	0.00	0.00	0.00
Environmental Cost Recovery	0.13	N/A	N/A	0.17	N/A	N/A
Capacity Recovery	2.79	1.55	0.42	0.98	N/A	N/A
Gross Receipts Tax (1)	0.03	0.02	0.00	0.00	-0.07	0.02
Total	\$3.18	\$0.49	(\$0.02)	\$0.09	(\$2.83)	\$1.94

(1) Additional gross receipts tax is 1% for Gulf, FPL and FPUC–Fernandina Beach. FPC, TECO and FPUC–Marianna have removed all GRT from their rates, and thus entire 2.5% is shown separately. (2) Fuel costs include purchased power demand costs of 2.02 for Marianna and 1.616 cents/KWH for Fernandina allocated to the residential class. (3) Effective 10/1/95, FPL Oil Backout was eliminated, and base rates were increased by .009 cents/kwh. (4) Effective 1/1/96 TECO oil backout will be eliminated.

FUEL ADJUSTMENT FACTORS IN CENTS PER KW/H BASED ON LINE LOSSES BY RATE GROUP

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FOR THE PERIOD: October 1995 - March 1996

COMPANY	GROUP	RATE SCHEDULES	BEFORE LINE LOSSES			LINE LOSS MULT.	FINAL FACTORS ADJUSTED FOR LINE LOSSES		
			Standard	TOU On/Peak Off/Peak			Standard	TOU On/Peak Off/Peak	
FP&L	A	RS-1,RST-1,GST-1,GS-1,SL-2	1.769	1.812	1.753	1.00197	1.773	1.815	1.757
	A-1	SL-1,OL-1	1.762	NA	NA	1.00197	1.766	NA	NA
	B	GSD-1,GSLDT-1, CILC-1(G)	1.769	1.812	1.753	1.00196	1.773	1.815	1.757
	C	GSLD-1,GSLDT-1, CS-1, CST-1	1.769	1.812	1.753	1.00171	1.772	1.815	1.756
	D	GSLD-2,GSLDT-2, CS-2, CST-2, OS-2, MET	1.769	1.812	1.753	0.99678	1.764	1.806	1.748
	E	GSLD-3,GSLDT-3,CS-3,CST-3,CILC-1(T),ISST-1(T)	1.769	1.812	1.753	0.96190	1.702	1.743	1.687
	F	CILC-1(D),ISST-1(D)	NA	1.812	1.753	0.99827	NA	1.809	1.750
FPC	A	Transmission Delivery	1.786	2.184	1.623	0.98000	1.750	2.140	1.591
	B	Distribution Primary Delivery	1.786	2.184	1.623	0.99000	1.768	2.162	1.607
	C	Distribution Secondary Delivery	1.786	2.184	1.623	1.00000	1.786	2.184	1.623
	D	OL-1,SL-1	1.728	NA	NA	1.00000	1.728	NA	NA
TECO	A	RS,GS,TS	2.365	2.580	2.282	1.00640	2.380	2.597	2.297
	A-1	SL-2,OL-1,3	2.365	NA	NA	N/A	2.342	NA	NA
	B	GSD,GSLD,SBF	2.365	2.580	2.282	1.00120	2.368	2.583	2.285
	C	IS-1,IS-3, SBI-1 & 3	2.365	2.580	2.282	0.97210	2.299	2.508	2.218
GULF	A	RS,GS,GSD,OS-III,OS-IV, SBS(100 to 500 kW)	2.210	2.287	2.182	1.01228	2.237	2.315	2.209
	B	LP, SBS(Contract Demand of 500 to 7499 kW)	2.210	2.287	2.182	0.98106	2.168	2.244	2.141
	C	PX, SBS(Contract Demand above 7499 kW)	2.210	2.287	2.182	0.96230	2.127	2.201	2.100
	D	OS-1,OS-2	2.205	NA	NA	1.01228	2.232	NA	NA
FPUC Fernandina	A	RS	5.228	NA	NA	1.00000	5.228	NA	NA
	B	GS	5.292	NA	NA	1.00000	5.292	NA	NA
	C	GSD	4.500	NA	NA	1.00000	4.500	NA	NA
	D	OL, OL-2, SL-2, SL-3, CSL	4.123	NA	NA	1.00000	4.123	NA	NA
	E	GSLD	NA				4.799		
Marianna	A	RS	4.814	NA	NA	1.01260	4.875	NA	NA
	B	GS	4.674	NA	NA	0.99630	4.657	NA	NA
	C	GSD	4.160	NA	NA	0.99630	4.145	NA	NA
	D	GLSD	4.184	NA	NA	0.99630	4.169	NA	NA
	E	OL, OL-2	2.901	NA	NA	1.01260	2.938	NA	NA
	F	SL-1, SL-2	2.889	NA	NA	0.98810	2.854	NA	NA

CA12/FUEL10M96/WK

\$6.18/CP KW

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ATTACHMENT 2
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PROPOSED CAPACITY COST RECOVERY FACTORS

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For the Period: October 1995 – March 1996

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COMPANY	RATE SCHEDULE	RECOVERY FACTOR (CENTS PER KWH)	
FPL	RS1	0.694	
	GS1	0.680	
	OL1/SL1	0.192	
	SL2	0.458	
	OS2	0.473	
		RECOVERY FACTOR (DOLLARS PER KW)	
	GSD1	\$2.54	
	GSLD1/CS1	\$2.58	
	GSLD2/CS2	\$2.59	
	GSLD3/CS3	\$2.48	<u>SDD</u>
	ISST1D = RDC/SDD	\$0.33	\$0.15
	SST1T = RDC/SDD	\$0.31	\$0.15
	SST1D = RDC/SDD	\$0.32	\$0.15
	CILCD,CILCG	\$2.58	
	CILCT	\$2.48	
	MET	\$2.68	
		RECOVERY FACTOR (CENTS PER KWH)	
FPC	RS	1.073	
	GS-Transmission	0.834	
	GS-Primary	0.843	
	GS-Secondary	0.851	
	GS - 100% Load Factor	0.587	
	GSD-Transmission	0.699	
	GSD-Primary	0.706	
	GSD-Secondary	0.713	
	CS - Transmission	0.585	
	CS - Primary	0.591	
	CS - Secondary	0.597	
	IS-Transmission	0.586	
	IS-Primary	0.592	
	IS-Secondary	0.598	
LS - Lighting Service	0.214		
TECO	RS	0.229	
	GS,TS	0.211	
	GSD	0.159	
	GSLD,SBF	0.145	
	IS-1 & 3,SBI-1 & 3	0.013	
	SL/OL	0.035	
GULF	RS,RST	0.168	
	GS,GST	0.165	
	GSD,GSDT	0.128	
	LP,LPT,SBS	0.111	
	PX,PXT,RTP,SBS	0.089	
	OS-1,OS-II	0.011	
	OS-III	0.100	
	OS-IV	0.011	

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: October 1995 – March 1996

FLORIDA POWER & LIGHT COMPANY

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated Cents/KWH
1.Fuel Cost of System Net Generation (E3)	417,528,933	28,646,867,000	1.45750
2.Spent NUC Fuel Disposal Cost (E2)	9,735,106	10,421,491,000 (a)	0.09341
3.Fuel Related Transactions	9,545,708	0	0.00000
4. Natural Gas Pipeline Enhancements	0	0	0.00000
4a. Fuel Cost of Sales to FKEC	(7,864,873)	(404,485,000)	1.94442
5.TOTAL COST OF GENERATED POWER	<u>428,944,874</u>	<u>28,242,382,000</u>	<u>1.51880</u>
6.Fuel Cost of Purchased Power – Firm (E8)	74,735,775	4,536,582,000	1.64740
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	35,224,190	1,982,228,000	1.77700
8.Energy Cost of Economy Purchases (Non–Broker) (E9)	3,596,840	172,921,000	2.08005
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Capacity Cost of Sch.E Economy Purchases (E2)	0	0	0.00000
11.Payments to Qualifying Facilities (E8A)	45,648,557	2,620,366,000	1.74207
12.TOTAL COST OF PURCHASED POWER	<u>159,205,362</u>	<u>9,312,097,000</u>	<u>1.70966</u>
13.TOTAL AVAILABLE KWH		<u>37,554,479,000</u>	
14.Fuel Cost of Economy Sales (E7)	(7,807,923)	(351,787,000)	2.21950
15.Gain on Economy Sales – 80% (E7A)	(1,394,650)	(351,787,000)(a)	0.39645
16.Fuel Cost of Unit Power Sales (SL2 Partpts) (E7)	(1,166,445)	(258,199,000)	0.45176
17.Fuel Cost of Other Power Sales (E7)	0	0	0.00000
18.TOTAL FUEL COST & GAINS OF POWER SALES	<u>(10,369,018)</u>	<u>(609,986,000)</u>	<u>1.69988</u>
19.Net Inadvertant Interchange (E4)	0	0	0.00000
20.TOTAL FUEL AND NET POWER TRANSACTIONS	<u>577,781,218</u>	<u>36,944,493,000</u>	<u>1.56392</u>
21.Net Unbilled (E4)	(10,906,210)(a)	(697,365,000)	–0.03064
22.Company Use (E4)	1,733,344 (a)	110,833,000	0.00487
23.T & D Losses (E4)	37,555,779 (a)	2,401,392,000	0.10551
24.Adjusted System KWH Sales	577,781,218	35,594,103,000	1.62325
25.Wholesale KWH Sales	<u>2,392,361</u>	<u>147,382,000</u>	<u>1.62324</u>
26.JURISDICTIONAL KWH SALES	<u>575,388,857</u>	<u>35,446,721,000</u>	<u>1.62325</u>
27.Jurisdictional KWH Sales Adjusted for Line Loss – 1.0007	575,791,629	<u>35,446,721,000</u>	1.62439
28.True–up * (derived in Attachment C)	38,399,209	<u>35,446,721,000</u>	0.10833
29.TOTAL JURISDICTIONAL FUEL COST	<u>614,190,838</u>	<u>35,446,721,000</u>	<u>1.73270</u>
30.Revenue Tax Factor			1.01609
31.Fuel Cost Adjusted for Taxes			1.76058
32.GPIF*	<u>3,090,162</u>	<u>35,446,721,000</u>	0.00872
33.Total fuel cost including GPIF	<u>617,281,000</u>	<u>35,446,721,000</u>	<u>1.76930</u>
34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			<u>1.769</u>

*Based on Jurisdictional Sales

(a) included for informational purposes only.

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: October 1995 – March 1996

FLORIDA POWER CORPORATION

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	159,890,455	10,617,595,000	1.50590
2.Spent NUC Fuel Disposal Cost	2,548,589	2,725,763,000 (a)	0.09350
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	337,518	0	0.00000
5.TOTAL COST OF GENERATED POWER	<u>162,776,562</u>	<u>10,617,595,000</u>	<u>1.53308</u>
6.Energy Cost of Purchased Power – Firm (E7)	14,246,520	765,546,000	1.86096
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	5,865,450	255,000,000	2.30018
8.Energy Cost of Economy Purchases (Non–Broker) (E9)	446,190	18,000,000	2.47883
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Capacity Cost of Sch.E Economy Purchases (E9)	0	0 (a)	0.00000
11.Payments to Qualifying Facilities (E8)	71,343,180	3,616,658,000	1.97263
12.TOTAL COST OF PURCHASED POWER	<u>91,901,340</u>	<u>4,655,204,000</u>	<u>1.97416</u>
13.TOTAL AVAILABLE KWH		<u>15,272,799,000</u>	
14.Fuel Cost of Economy Sales (E6)	(4,027,850)	(240,000,000)	1.67827
14a.Gain on Economy Sales –80% (E6)	(768,000)	(240,000,000)(a)	0.32000
15.Fuel Cost of Other Power Sales (E6)	0	0	0.00000
15a.Gain on Other Power Sales (E6)	0	0 (a)	0.00000
16.Fuel Cost of Seminole Backup Sales (E6)	0	0	0.00000
16a.Gain on Seminole Back–up Sales (E6)	0	0 (a)	0.00000
17.Fuel Cost of Seminole Supplemental Sales (E6)	(6,475,200)	(340,802,000)	1.89999
18.TOTAL FUEL COST AND GAINS OF POWER SALES	<u>(11,271,050)</u>	<u>(580,802,000)</u>	<u>1.94060</u>
19.Net Inadvertant Interchange	0	0	
20.TOTAL FUEL AND NET POWER TRANSACTIONS	<u>243,406,852</u>	<u>14,691,997,000</u>	<u>1.65673</u>
21.Net Unbilled	(8,533,082)(a)	515,065,000	–0.05973
22.Company Use	1,565,582 (a)	(94,500,000)	0.01096
23.T & D Losses	13,699,782 (a)	(826,932,000)	0.09590
24.Adjusted System KWH Sales	243,406,852	<u>14,285,630,000</u>	1.70386
25.Wholesale KWH Sales(Excluding Seminole Supplemental)	(7,963,707)	(471,670,000)	1.68841
26.JURISDICTIONAL KWH SALES	<u>235,443,145</u>	<u>13,813,960,000</u>	<u>1.70439</u>
27.Jurisdictional KWH Sales Adjusted for Line Losses – 1.0014	235,772,765	<u>13,813,960,000</u>	1.70677
28.Prior Period True–Up * (E1–B, sheet 1)	10,649,438	<u>13,813,960,000</u>	0.07344
28a. Market Price True–up for 1994 *	(503,961)	13,813,960,000	–0.00365
29.TOTAL JURISDICTIONAL FUEL COST	<u>245,918,242</u>	<u>13,813,960,000</u>	<u>1.78022</u>
30.Revenue Tax Factor			1.00083
31.Fuel Cost Adjusted for Taxes	246,122,355		1.78170
32.GPIF*	183,528	<u>13,813,960,000</u>	0.00130
33.Total fuel cost including GPIF	<u>246,305,883</u>	<u>13,813,960,000</u>	<u>1.78300</u>
34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			<u>1.783</u>

*Based on Jurisdictional Sales

(a) Included for informational purposes only.

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: October 1995 – March 1996

TAMPA ELECTRIC COMPANY

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	164,565,603	8,010,293,000	2.05443
2.Spent NUC Fuel Disposal Cost	0	0	0.00000
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	596,298	8,010,293,000 (a)	0.00744
5.TOTAL COST OF GENERATED POWER	<u>165,161,901</u>	<u>8,010,293,000</u>	<u>2.06187</u>
6.Fuel Cost of Purchased Power – Firm (E7)	1,784,000	30,971,000	5.76023
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	70,700	2,439,000	2.89873
8.Energy Cost of Economy Purchases (Non – Broker) (E9)	0	0	0.00000
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Capacity Cost of Sch.E Economy Purchases (E2)	0	0 (a)	0.00000
11.Payments to Qualifying Facilities (E8)	3,391,700	233,010,000	1.45560
12.TOTAL COST OF PURCHASED POWER	<u>5,246,400</u>	<u>266,420,000</u>	<u>1.96922</u>
13.TOTAL AVAILABLE KWH		<u>8,276,713,000</u>	
14.Fuel Cost of Economy Sales (E6)	13,954,300	928,923,000	1.50220
15.Gain on Economy Sales – 80% (E6)	2,257,520	928,923,000 (a)	0.24303
16.Fuel Cost of Schedule D Sales (Jurisdictional)(E6)	474,100	32,195,000	1.47259
16a.Fuel Cost of Schedule D Sales – Separated (E6)	2,995,300	231,916,000	1.29155
16b Fuel Cost Schedule D Sales TPS Separated (E6)	1,437,500	63,735,000	2.25543
16c. Fuel Cost Schedule J Sales Juris. (E6)	822,800	51,422,000	1.60009
18.TOTAL FUEL COST AND GAINS OF POWER SALES	<u>21,941,520</u>	<u>1,308,191,000</u>	<u>1.67724</u>
19.Net Inadvertant Interchange	0	0	
19b.Interchange and Wheeling Losses	0	22,805,000	
20.TOTAL FUEL AND NET POWER TRANSACTIONS	<u>148,466,781</u>	<u>6,945,717,000</u>	<u>2.13753</u>
21.Net Unbilled	(3,428,192)(a)	(160,381,000)	-0.05062
22.Company Use	338,585 (a)	15,840,000	0.00500
23.T & D Losses	6,792,322 (a)	317,765,000	0.10029
24.Adjusted System KWH Sales	148,466,781	6,772,493,000	2.19220
25.Wholesale KWH Sales	(816,380)	(37,607,000)	2.17082
26.JURISDICTIONAL KWH SALES	<u>147,650,401</u>	<u>6,734,886,000</u>	<u>2.19232</u>
27.Jurisdictional KWH Sales Adjusted for Line Loss – 1.00005	147,724,226	6,734,886,000	2.19342
28.True – up *	8,925,155	6,734,886,000	0.13252
29.Peabody Coal Contract Buyout Amort.	2,975,681	6,734,886,000	0.04418
30.TOTAL JURISDICTIONAL FUEL COST	<u>159,625,062</u>	<u>6,734,886,000</u>	<u>2.37012</u>
31.Revenue Tax Factor			1.00083
32.Fuel Cost Adjusted for Taxes	159,757,551		2.37209
33.GPIF * (Already adjusted for taxes)	(471,209)	6,734,886,000	-0.00700
34.Total Fuel Cost including GPIF	<u>159,286,342</u>	<u>6,734,886,000</u>	<u>2.36509</u>
35.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			<u>2.365</u>

*Based on Jurisdictional Sales

(a) Included for informational purposes only.

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: October 1995 – March 1996

GULF POWER COMPANY

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	88,082,064	4,449,710,000	1.9795
2.Net Cost of Emission Allowances	0	0	0.0000
3.Adjustments to Fuel Cost	0	0	0.0000
4.TOTAL COST OF GENERATED POWER	<u>88,082,064</u>	<u>4,449,710,000</u>	<u>1.9795</u>
5.Fuel Cost of Purchased Power – Firm (E7)	0	0	0.0000
6.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	9,801,000	530,330,000	1.8481
7.Energy Cost of Economy Purchases (Non – Broker) (E9)	0	0	0.0000
8.Energy Cost of Sch.E Purchases (E9)	0	0	0.0000
9.Capacity Cost of Sch.E Economy Purchases (E2)	0	0 (a)	0.0000
10.Payments to Qualifying Facilities (E8)	0	0	0.0000
11.TOTAL COST OF PURCHASED POWER	<u>9,801,000</u>	<u>530,330,000</u>	<u>1.8481</u>
12.TOTAL AVAILABLE KWH (line 4 + line 11)		<u>4,980,040,000</u>	
13.Fuel Cost of Economy Sales (E6)	(567,000)	(27,290,000)	2.0777
14.Gain on Economy Sales – 80% (E6)	(65,600)	0 (a)	0.0000
15.Fuel Cost of Unit Power Sales (E6)	(10,290,000)	(561,760,000)	1.8317
16.Fuel Cost of Other Power Sales	(4,309,000)	(216,418,000)	1.9911
17.TOTAL FUEL COST AND GAINS OF POWER SALES	<u>(15,231,600)</u>	<u>(805,468,000)</u>	<u>1.8910</u>
18.Net Inadvertant Interchange	0		
19.TOTAL FUEL AND NET POWER TRANSACTIONS	<u>82,651,464</u>	<u>4,174,572,000</u>	<u>1.9799</u>
20.Net Unbilled	0	0	0.0000
21.Company Use	200,128 (a)	10,108,000	1.9799
22.T & D Losses	4,474,356 (a)	225,989,000	1.9799
23.Adjusted System KWH Sales	82,651,464	3,938,475,000	2.0986
24.Wholesale KWH Sales	3,070,818	146,327,000	2.0986
25.JURISDICTIONAL KWH SALES	<u>79,580,646</u>	<u>3,792,148,000</u>	<u>2.0986</u>
26.Jurisdictional KWH Sales Adjusted for Line Loss – 1.00140	79,692,058	3,792,148,000	2.1015
27.True-up *	2,613,019	3,792,148,000	0.0689
28.Total Jurisdictional Fuel Cost	<u>82,305,077</u>	<u>3,792,148,000</u>	<u>2.1704</u>
29.Revenue Tax Factor			1.01609
30.Fuel Cost Adjusted for Taxes			2.2053
31.Special Contract Recovery Cost	175,432	3,792,148,000	0.0046
32.GPIF *	0	3,792,148,000	0.0000
33.Total Fuel Cost including GPIF	<u>82,305,077</u>	<u>3,792,148,000</u>	<u>2.2099</u>
34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			<u>2.210</u>

*Based on Jurisdictional Sales

(a) included for informational purposes only.

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: October 1995 – March 1996

FLORIDA PUBLIC UTILITIES – MARIANNA

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1. Fuel Cost of System Net Generation (E3)	0	0	0.00000
2. Spent NUC Fuel Disposal Cost (E2)	0	0	0.00000
3. Coal Car Investment	0	0	0.00000
4. Adjustments to Fuel Cost	0	0	0.00000
5. TOTAL COST OF GENERATED POWER	<u>0</u>	<u>0</u>	<u>0.00000</u>
6. Fuel Cost of Purchased Power – Firm (E7)	2,615,028	127,829,000	2.04572
7. Energy Cost of Sch. C, X Economy Purchases (Broker) (E9)	0	0	0.00000
8. Energy Cost of Economy Purchases (Non – Broker) (E9)	0	0	0.00000
9. Energy Cost of Sch. E Purchases (E9)	0	0	0.00000
10. Demand & Non Fuel Cost of Purchased Power (E2)	2,925,059	127,829,000 (a)	2.28826
10a. Demand Costs of Purchased Power	2,041,015 (a)		
10b. Non – Fuel Energy & Customer Costs of Purchased Power	884,044 (a)		
11. Energy Payments to Qualifying Facilities (E8A)	0	0	0.00000
12. TOTAL COST OF PURCHASED POWER	<u>5,540,087</u>	<u>127,829,000</u>	<u>4.33398</u>
13. TOTAL AVAILABLE KWH	<u>5,540,087</u>	<u>127,829,000</u>	<u>4.33398</u>
14. Fuel Cost of Economy Sales (E6)	0	0	0.00000
15. Gain on Economy Sales – 80% (E6)	0	0	0.00000
16. Fuel Cost of Unit Power Sales (E6)	0	0	0.00000
17. Fuel Cost of Other Power Sales	0	0	0.00000
18. TOTAL FUEL COST AND GAINS OF POWER SALES	<u>0</u>	<u>0</u>	<u>0.00000</u>
19. Net Inadvertant Interchange	0	0	
20. TOTAL FUEL AND NET POWER TRANSACTIONS	<u>5,540,087</u>	<u>127,829,000</u>	<u>4.33398</u>
21. Net Unbilled	(21,973)(a)	(507,000)	-0.01785
22. Company Use	5,417 (a)	125,000	0.00440
23. T & D Losses	221,596 (a)	5,113,000	0.18002
24. ADJUSTED SYSTEM KWH SALES	<u>5,540,087</u>	<u>123,098,000</u>	<u>4.50055</u>
25. Less Total Demand Cost Recovery	2,041,015		
26. JURISDICTIONAL KWH SALES	<u>3,499,072</u>	<u>123,098,000</u>	<u>2.84251</u>
27. Jurisdictional KWH Sales Adjusted for Line Loss – 1.00	3,499,072	<u>123,098,000</u>	2.84251
28. True-up *	(31,424)	<u>123,098,000</u>	-0.02553
29. TOTAL JURISDICTIONAL FUEL COST	<u>3,467,648</u>	<u>123,098,000</u>	<u>2.81698</u>
30. Revenue Tax Factor			1.00083
31. Fuel Cost Adjusted for Taxes	3,499,562	0	2.81932
32. GPIF *	0	<u>123,098,000</u>	0.00000
33. Total Fuel Cost including GPIF	3,467,648	<u>123,098,000</u>	2.81932
34. TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			<u>2.819</u>

*Based on Jurisdictional Sales
 (a) included for informational purposes only.

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: October 1995 – March 1996

FLORIDA PUBLIC UTILITIES—FERNANDINA BEACH

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
30a. Demand Purchased Power Costs (line 10a)	2,436,000 (a)		
30b. Non – Demand Purchased Power Costs (lines 6 + 10b + 11)	5,110,091 (a)		
30c. True – up Over/Under Recovery (line 29)	(13,938)(a)		
<u>APPORTIONMENT OF DEMAND COSTS</u>			
31. Total Demand Costs	2,436,000		
32. GSLD Portion of Demand Costs Including line losses (line 27c * \$6.18)	1,001,160	162,000 kw	\$6.18
33. Balance to Other Classes	1,434,840	106,944,000	1.34167
<u>APPORTIONMENT OF NON – DEMAND COSTS</u>			
34. Total Non – Demand Costs (line 30b)	5,110,091		
35. Total KWH Purchased (line 12)		146,382,000	
36. Average Cost per KWH Purchased			3.49093
37. Avg. Cost Adjusted for Transmission line losses (line 36 * 1.03)			3.59566
38. GSLD Non – Demand Costs (line 27a * line 37)	1,294,337	36,000,000	3.59538
39. Balance to Other Customers	3,815,754	106,944,000	3.56799
<u>GSLD PURCHASED POWER COST RECOVERY FACTORS</u>			
40a. Total GSLD Demand Costs (Line 32)	1,001,160	162,000 kw	\$6.18
40b. Revenue Tax Factor			1.01609
40c. GSLD Demand Purchased Power factor adjusted for taxes and rounded:			<u>\$6.28</u>
40d. Total Current GSLD Non – Demand Costs (line 38)	1,294,337	36,000,000	3.59538
40e. Total Non – Demand Costs including true – up	1,294,337	36,000,000	3.59538
40f. Revenue Tax Factor			1.01609
40g. GSLD Non – demand costs adjusted for taxes			<u>3.653</u>
<u>OTHER CLASSES PURCHASED POWER COST RECOVERY FACTORS</u>			
41a. Total Demand and Non – Demand Purchased Power Costs of other classes (lines 33 + 39)	5,250,594	106,944,000	4.90967
41b. Less: Total Demand Cost Recovery	1,434,840 (a)		
41c. Total Other Costs to be Recovered	3,815,754 (a)	106,944,000	3.56799
41d. Other Classes' Portion of True – up (line 30 C)	(13,938)	106,944,000	-0.01303
41e. Total Demand and Non – Demand Costs including True – up	3,801,816	106,944,000	3.55496
42. Revenue tax factor			1.01609
			3.61216
43. OTHER CLASSES PURCHASED POWER FACTOR ADJUSTED FOR TAXES ROUNDED TO THE NEAREST .001 CENTS PER KWH:			<u>3.612</u>

*Based on Jurisdictional Sales

(a) included for informational purposes only.

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**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: October 1995 – March 1996

FLORIDA PUBLIC UTILITIES—FERNANDINA BEACH

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<u>CLASSIFICATION</u>	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
30a.Demand Purchased Power Costs (line 10a)	2,436,000 (a)		
30b.Non-Demand Purchased Power Costs (lines 6+10b+11)	5,110,091 (a)		
30c.True-up Over/Under Recovery (line 29)	(13,938)(a)		
<u>APPORTIONMENT OF DEMAND COSTS</u>			
31.Total Demand Costs	2,436,000		
32.GSLD Portion of Demand Costs			
Including line losses (line 27c * \$6.18)	1,001,160	162,000 kw	\$6.18
33.Balance to Other Classes	1,434,840	106,944,000	1.34167
<u>APPORTIONMENT OF NON-DEMAND COSTS</u>			
34.Total Non-Demand Costs (line 30b)	5,110,091		
35.Total KWH Purchased (line 12)		146,382,000	
36.Average Cost per KWH Purchased			3.49093
37.Avg. Cost Adjusted for Transmission line losses (line 36 * 1.03)			3.59566
38.GSLD Non-Demand Costs (line 27a * line 37)	1,294,337	36,000,000	3.59538
39.Balance to Other Customers	3,815,754	106,944,000	3.56799
<u>GSLD PURCHASED POWER COST RECOVERY FACTORS</u>			
40a.Total GSLD Demand Costs (Line 32)	1,001,160	162,000 kw	\$6.18
40b.Revenue Tax Factor			1.01609
40c.GSLD Demand Purchased Power factor adjusted for taxes and rounded:			<u>\$6.28</u>
40d.Total Current GSLD Non-Demand Costs (line 38)	1,294,337	36,000,000	3.59538
40e.Total Non-Demand Costs including true-up	1,294,337	36,000,000	3.59538
40f.Revenue Tax Factor			1.01609
40g.GSLD Non-demand costs adjusted for taxes			<u>3.653</u>
<u>OTHER CLASSES PURCHASED POWER COST RECOVERY FACTORS</u>			
41a.Total Demand and Non-Demand Purchased Power Costs of other classes (lines 33 + 39)	5,250,594	106,944,000	4.90967
41b.Less: Total Demand Cost Recovery	1,434,840 (a)		
41c.Total Other Costs to be Recovered	3,815,754 (a)	106,944,000	3.56799
41d.Other Classes' Portion of True-up (line 30 C)	(13,938)	106,944,000	-0.01303
41e.Total Demand and Non-Demand Costs including True-up	3,801,816	106,944,000	3.55496
42.Revenue tax factor			1.01609
			3.61216
43.OTHER CLASSES PURCHASED POWER FACTOR ADJUSTED FOR TAXES ROUNDED TO THE NEAREST .001 CENTS PER KWH:			<u>3.612</u>

*Based on Jurisdictional Sales

(a) included for informational purposes only.

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