

Steel Hector & Davis

Tallahassee, Florida

Matthew M. Childs, P.A.
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ORIGINAL
FILE COPY

November 17, 1995

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
4075 Esplanade Way, Rm.110
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 Ending September 1995 in the above-referenced docket.

Also enclosed is an original and fifteen (15) copies of the Testimony of B.T. Birkett.

Very truly yours,



Matthew M. Childs, P.A.

ACK _____

AFA 2 _____

MP _____

CAF _____

MMC/ml

cc: All Parties of Record

cc: B.T. Birkett

cc: [unclear]

W _____

DL _____

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Testimony *Petition*
DOCUMENT NUMBER-DATE DOCUMENT NUMBER-DATE
11506 NOV 17 1995 11505 NOV 17 1995
FPSC-RECORDS/REPORTING FPSC-RECORDS/REPORTING

**ORIGINAL
FILE COPY**

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

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

NOVEMBER 17, 1995

ENVIRONMENTAL COST RECOVERY FACTOR

**FINAL TRUE-UP
APRIL 1995 THROUGH SEPTEMBER 1995**

TESTIMONY & EXHIBITS OF:

B. T. BIRKETT

DOCUMENT NUMBER-DATE

11506 NOV 17 95

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER & LIGHT COMPANY

TESTIMONY OF BARRY T. BIRKETT

DOCKET NO. 950007-EI

November 17, 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?**

13 A. The purpose of my testimony is to present for Commission review and
14 approval the Environmental Compliance Costs associated with our Envi-
15 ronmental Compliance activities for the period April 1995 through Septem-

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ber 1995.

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

A. Yes, I have. It consists of eight forms. Form 42-1A reflects the final true-up to be carried forward to the April 1996 - September 1996 period, Form 42-2A consists of the final true-up calculation for the period, Form 42-3A consists of the calculation of the Interest Provision for the period, Form 42-4A reflects the calculation of variances between actual and projected costs for O & M Activities, Form 42-5A presents a summary of actual monthly costs for the period for O & M Activities, Form 42-6A reflects the calculation of variances between actual and projected costs for Capital Investment Projects, Form 42-7A presents a summary of actual monthly costs for the period for Capital Investment Projects and Form 42-8A consists of the calculation of depreciation expense and return on capital investment.

Q. What is the source of the data which you will present by way of testimony or exhibits in this proceeding?

A. Unless otherwise indicated, the actual data is taken from the books and records of FPL. The books and records are kept in the regular course of our business in accordance with generally accepted accounting principles and practices, and provisions of the Uniform System of Accounts as prescribed by this Commission.

1 Q. What is the actual true-up amount which FPL is requesting for the
2 April 1995 through September 1995 period?

3 A. FPL has calculated and is requesting approval of an overrecovery of
4 \$316,672 as the actual true-up amount for the period.

5
6 Q. What is the adjusted net true-up amount which FPL is requesting for
7 the April 1995 through September 1995 period which is to be carried
8 over and refunded in the April 1996 through September 1996 period?

9 A. FPL has calculated and is requesting approval of an overrecovery of
10 \$583,626 as the adjusted net true-up amount for the period. The adjusted
11 net true-up of an overrecovery of \$583,626 is the difference between the
12 actual true-up of an overrecovery of \$316,672 and the estimated/actual
13 true-up of an underrecovery of \$266,954 approved by the Commission at
14 the August 1995 hearing. This is shown on Form 42-1A.

15
16 Q. Is this true-up calculation consistent with the true-up methodology
17 used for the other cost recovery clauses?

18 A. Yes, it is. The calculation of the true-up amount follows the procedures
19 established by this Commission as set forth on Commission Schedule A-2
20 "Calculation of True-Up and Interest Provisions" for the Fuel Cost Recov-
21 ery Clause.

22
23 Q. Are all costs listed in Forms 42-4A through 42-7A attributable to

1 **Environmental Compliance projects approved by the Commission?**

2 A. Yes they are.

3

4

5 **Q. How did actual expenditures for April 1995 through September 1995**
6 **compare with FPL's project projections as presented in previous**
7 **testimony and exhibits?**

8

9 A. Overall, costs were \$485,748 lower than projected. The largest variances
10 were associated with the following projects:

11

12 1. CONTINUOUS EMISSION MONITORING SYSTEMS - O & M
13 Project expenditures were \$66,236 less than projected. This
14 variance was due primarily to slower than anticipated purchases of
15 gases and spare parts.

16

17 2. CLEAN CLOSURE EQUIVALENCY DEMONSTRATION (CCED) -
18 O&M
19 Project expenditures were \$69,015 less than projected. This
20 variance is due to delays in the schedule caused by resource
21 constraints and additional time required for resolution of technical
22 issues being negotiated with the EPA. In August 1995, all new
23 CCED activities were suspended pending a final decision from the

1 FDEP in response to FPL's request for RCRA status change.
2 Work continued only on those activities which were near comple-
3 tion, such as report preparation.
4
5 3. MAINTENANCE OF STATIONARY ABOVE GROUND FUEL
6 STORAGE TANKS - O & M
7 Project expenditures were \$112,650 less than projected. The
8 variance was due to changes in the timing of the work undertaken.
9
10 4. MAINTENANCE OF STATIONARY ABOVE GROUND FUEL
11 STORAGE TANKS - SPILL ABATEMENT
12 Project expenditures were \$41,996. The scope of the program
13 under the Environmental Cost Recovery Clause for maintenance
14 of stationary above ground fuel storage tank was amended in the
15 last filing to the Public Service Commission to include the clean up
16 of fuel oil discharges, therefore a projection was not available
17 during the last projection filing.
18
19 5. LOW LEVEL WASTE ACCESS FEES
20 Project expenditures were \$230,314 less than projected. This is
21 due to the continued progress made by FPL in reducing the volume
22 of low level waste shipped and the reversal of the first and second
23 quarter of 1995 accruals for Low Level Waste Regional Access
24 Fees.

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6. RCRA CORRECTIVE ACTION - O & M

Project expenditures were \$82,844 less than projected. This variance was due to a reduction in work scope at the Putnam site (ie., less contaminated soil removal required than originally estimated).

Q. Does this conclude your testimony?

A. Yes, it does.

ENVIRONMENTAL COST RECOVERY
COMMISSION FORMS 42-1A THROUGH 42-8A
APRIL 1995 - SEPTEMBER 1995

BTB-1
DOCKET NO. 950007-EI
FPL WITNESS: B. T. BIRKETT
EXHIBIT _____
PAGES 1-16
NOVEMBER 17, 1995

**Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
April 1995 to September 1995**

Line
No.

1	End of Period Actual True-Up for period April 1995 through September 1995 (Form 42-2A, Lines 9+10)	\$316,672
2	Estimated/Actual True-Up Amounts Approved for the Period - October 1995 through March 1996 (Order No. PSC-95-1051-FOF-EI)	(266,954)
3	Final True-Up to be refunded/(recovered) in the April through September 1996 Period.	<u>\$583,626</u>

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
April 1995 to September 1995

Line No.	April	May	June	July	August	September	End of Period Amount
1 ECRC Revenues (net of Revenue Taxes)	\$522,031	\$611,895	\$710,735	\$704,440	\$696,502	\$723,545	\$3,969,148
2 True-up Provision (Order No. PSC-95-1051-POF-EI)	77,157	77,157	77,157	77,157	77,157	77,157	462,940
3 ECRC Revenues Applicable to Period (Lines 1 + 2)	599,188	689,052	787,892	781,597	773,659	800,702	4,432,088
4 Jurisdictional ECRC Costs							
a - O&M Activities (Form 42-5A, Line 9)	321,373	550,065	165,614	503,958	185,248	325,921	2,052,178
b - Capital Investment Projects (Form 42-7A, Line 9)	390,475	401,785	420,113	425,817	428,426	429,815	2,496,430
c - Total Jurisdictional ECRC Costs	711,848	951,850	585,727	929,775	613,674	755,736	4,548,608
5 Over/(Under) Recovery (Line 3 - Line 4c)	(112,660)	(262,798)	202,165	(148,178)	159,985	44,966	(116,520)
6 Interest Provision (Form 42-3A, Line 10)	4,000	2,664	2,139	1,862	1,484	1,625	13,774
7 Beginning Balance True-Up & Interest Provision	462,940	277,123	(60,168)	66,979	(156,494)	(72,182)	462,940
a - Deferred True-Up from October 1994 to March 1995 (Order No. PSC-95-1051-POF-EI)	419,418	419,418	419,418	419,418	419,418	419,418	419,418
8 True-Up Collected / (Refunded) (See Line 2)	(77,157)	(77,157)	(77,157)	(77,157)	(77,157)	(77,157)	(462,940)
9 End of Period True-Up (Lines 5 + 6 + 7 + 7a + 8)	696,541	359,250	486,397	262,924	347,236	316,672	316,672
10 Adjustments to Period Total True-Up Including Interest							
11 End of Period Total Net True-Up (Lines 9 + 10)	696,541	359,250	486,397	262,924	347,236	316,672	316,672

Notes:

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
April 1995 to September 1995

Line No.	Interest Provision (in Dollars)						End of Period Amount	
	April	May	June	July	August	September		
1	Beginning True-Up Amount (Form 42-2A, Lines 7 + 7a + 10)	\$882,358	\$696,541	\$359,250	\$486,397	\$262,924	\$347,236	\$3,034,706
2	Ending True-Up Amount before Interest (Line 1 + Form 42-2A, Lines 5 + 8)	692,541	356,586	484,258	261,062	345,752	315,045	2,455,244
3	Total of Beginning & Ending True-Up (Lines 1 + 2)	\$1,574,899	\$1,053,127	\$843,508	\$747,459	\$608,676	\$662,281	\$5,489,950
4	Average True-Up Amount (Line 3 x 1/2)	\$787,450	\$526,564	\$421,754	\$373,730	\$304,338	\$331,141	\$2,744,975
5	Interest Rate (First Day of Reporting Month)	6.12000%	6.07000%	6.07000%	6.10000%	5.86000%	5.84000%	N/A
6	Interest Rate (First Day of Subsequent Month)	6.07000%	6.07000%	6.10000%	5.86000%	5.84000%	5.94000%	N/A
7	Total of Beginning & Ending Interest Rates (Lines 5 + 6)	12.19000%	12.14000%	12.17000%	11.96000%	11.70000%	11.78000%	N/A
8	Average Interest Rate (Line 7 x 1/2)	6.09500%	6.07000%	6.08500%	5.98000%	5.85000%	5.89000%	N/A
9	Monthly Average Interest Rate (Line 8 x 1/12)	0.50792%	0.50583%	0.50708%	0.49833%	0.48750%	0.49083%	N/A
10	Interest Provision for the Month (Line 4 x Line 9)	\$4,000	\$2,664	\$2,139	\$1,862	\$1,484	\$1,625	\$13,774

Notes:

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-Up Amount for the Period
April 1995-September 1995

Variance Report of O&M Activities
(in Dollars)

Line	(1)	(2)	(3)		(4)
	Actual	Estimated Actual	Amount	Variance	Percent
1 Description of O&M Activities					
1 Air Operating Permit Fees-O&M	\$ 31,850	\$ 26,643	\$ 5,207		19.5%
3a Continuous Emission Monitoring Systems-O&M	337,811	424,047	(86,236)		-20.3%
4a Clean Closure Equivalency-O&M	62,370	131,385	(69,015)		-52.5%
5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	360,430	473,080	(112,650)		-23.8%
5c Maintenance of Stationary Above Ground Fuel Storage Tanks-Spill Abatement	41,996	-	41,996		
8a Oil Spill Cleanup/Response Equipment-O&M	142,690	113,608	29,082		25.6%
8c Oil Spill Cleanup/Response Equipment-Revenue	(9,822)	(9,822)	-		0.0%
9 Low-Level Radioactive Waste Access Fees-O&M	(77,026)	153,288	(230,314)		-150.2%
13 RCRA Corrective Action-O&M	1,131,156	1,214,000	(82,844)		-6.8%
14 NPDES Permit Fees-O&M	<u>75,269</u>	<u>95,958</u>	<u>(20,689)</u>		<u>-21.6%</u>
2 Total O&M Activities	\$ 2,096,724	\$ 2,622,187	\$ (525,463)		-20.0%

Notes

Column(1) is the End of Period Totals on Form 42-5A

Column(2) is the approved Estimated/Actual amount in accordance with
 FPSC Order No. PSC-95-1051-FOF-EI

Column(3) = Column(1) - Column(2)

Column(4) = Column(3) / Column(2)

Florida Power & Light Company
 Environmental Cost Recovery Clause
 Calculation of the Final True-Up Amount for the Period
 April 1995-September 1995

O&M Activities
 (in Dollars)

Line	APR	MAY	JUN	JUL	AUG	SEPT	End of Period Total
1 Description of O&M Activities							
1 Air Operating Permit Fees-O&M	\$4,108	\$4,108	\$4,108	\$9,980	\$4,773	\$4,773	\$31,850
3a Continuous Emission Monitoring Systems-O&M	116,455	41,350	28,812	111,460	21,752	17,982	337,811
4a Clean Closure Equivalency-O&M	22,819	14,125	13,007	2,909	6,147	3,363	62,370
5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	98,251	73,681	41,986	46,352	16,273	83,887	360,430
5c Maintenance of Stationary Above Ground Fuel Storage Tanks-Spill Abatement	-	-	-	-	3,302	38,694	41,996
8a Oil Spill Cleanup/Response Equipment-O&M	1,497	6,953	71,696	29,779	26,918	5,847	142,690
8c Oil Spill Cleanup/Response Equipment-Revenue	-	(9,822)	-	-	-	-	(9,822)
9 Low-Level Radioactive Waste Access Fees-O&M	74,450	-	-	(4,621)	-	(146,855)	(77,026)
13 RCRA Corrective Action-O&M	10,769	431,610	9,600	236,102	117,771	325,304	1,131,156
14 NPDES Permit Fees-O&M	-	-	-	82,936	(7,667)	-	75,269
2 Total of O&M Activities	\$ 328,349	\$ 562,005	\$ 169,209	\$ 514,897	\$ 189,269	\$ 332,995	\$ 2,096,724
5 Retail Jurisdictional Factor	97.875495%	97.875495%	97.875495%	97.875495%	97.875495%	97.875495%	
9 Total Jurisdictional Recoverable Costs for O&M Activities	\$ 321,373	\$ 550,065	\$ 165,614	\$ 503,958	\$ 185,248	\$ 325,921	\$ 2,052,178

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-Up Amount for the Period
April 1995-September 1995

Variance Report of Capital Investment Projects-Recoverable Costs
(in Dollars)

Line	(1)	(2)	(3) (4)	
	Actual	Estimated Actual	Variance Amount	Percent
1 Description of Investment Projects				
2 Low NOx Burner Technology-Capital	\$ 1,256,588	\$ 1,233,058	\$ 23,530	1.9%
3b Continuous Emission Monitoring Systems-Capital	974,000	947,272	26,728	2.8%
4b Clean Closure Equivalency-Capital	4,350	4,349	1	0.0%
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	220,294	229,631	(9,337)	-4.1%
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	2,144	2,144	-	0.0%
8b Oil Spill Cleanup/Response Equipment-Capital	62,576	62,575	1	0.0%
10 Relocate Storm Water Runoff-Capital	7,972	7,972	-	0.0%
11 SO2 Allowances-Negative Return on Investment	(38,992)	(35,743)	(1,249)	3.5%
12 Scherer Discharge Pipeline-Capital	<u>59,686</u>	<u>59,645</u>	<u>41</u>	<u>0.1%</u>
2 Total Investment Projects-Recoverable Costs	\$ 2,550,618	\$ 2,510,903	\$ 39,715	1.6%

Notes:

Column(1) is the End of Period Totals on Form 42-7A

Column(2) is the approved Estimated/Actual amount in accordance with
FPSC Order No. PSC-95-1051-FOF-EI

Column(3) = Column(1) - Column(2)

Column(4) = Column(3) / Column(2)

Florida Power & Light Company
 Environmental Cost Recovery Clause
 Calculation of the Final True-Up Amount for the Period
 April 1995-September 1995

Capital Investment Projects-Recoverable Costs
 (in Dollars)

Line	APR	MAY	JUN	JUL	AUG	SEPT	End of Period Total
1 Description of Investment Projects (A)							
2 Low NOx Burner Technology-Capital	\$187,593	\$198,654	\$216,217	\$219,058	\$217,785	\$217,281	\$1,256,588
3b Continuous Emission Monitoring Systems-Capital	182,009	159,094	158,679	161,996	165,070	167,152	974,000
4b Clean Closure Equivalency-Capital	788	732	710	709	707	708	4,350
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	30,906	35,594	37,301	38,220	39,171	39,102	220,294
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	362	358	357	357	356	354	2,144
8b Oil Spill Cleanup/Response Equipment-Capital	10,352	10,245	11,332	10,278	10,215	10,154	62,576
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)	(6,631)	(6,810)	(6,810)	(6,810)	(36,992)
12 Scherer Discharge Pipeline-Capital	<u>10,067</u>	<u>9,950</u>	<u>9,939</u>	<u>9,927</u>	<u>9,908</u>	<u>9,885</u>	<u>59,686</u>
2 Total Investment Projects - Recoverable Costs	\$ 398,951	\$ 410,506	\$ 429,232	\$ 435,060	\$ 437,725	\$ 439,145	\$ 2,550,618
5 Retail Jurisdictional Factor	97.875495%	97.875495%	97.875495%	97.875495%	97.875495%	97.875495%	
9 Total Jurisdictional Recoverable Costs for Investment Projects	<u>\$ 390,475</u>	<u>\$ 401,785</u>	<u>\$ 420,113</u>	<u>\$ 425,817</u>	<u>\$ 428,426</u>	<u>\$ 429,814</u>	<u>\$ 2,496,430</u>

Notes:

(A) Each project's Total System Recoverable Expenses on Form 42-8A, Line 9

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
April 1995 through September 1995

Return on Capital Investments, Depreciation and Taxes
For Project: Low NOx Burner Technology (Project No. 2)
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		(17,887)	2,032,858	8515,824	(1,303,054)	(17,318)	125,883	12,248,628
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	114,142,058	14,124,072	18,158,930	18,672,854	18,388,800	18,362,482	18,388,145	n/a
3. Less: Accumulated Depreciation (B)	185,121	242,072	302,888	58,908	(115,328)	(38,348)	20,548	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	113,956,938	113,882,000	115,856,042	118,618,048	118,485,129	118,400,830	118,367,598	n/a
6. Average Net Investment		13,918,488	14,888,031	18,235,055	18,550,588	18,442,979	18,384,214	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		80,207	98,339	105,198	107,241	108,544	108,183	611,880
b. Debt Component (Line 6 x 3.3510% x 1/12)		40,435	41,510	45,338	48,218	45,917	45,753	285,178
8. Investment Expenses								
a. Depreciation (D)		58,951	60,798	65,685	65,589	65,324	65,385	378,720
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		118,753	118,654	121,217	121,058	121,785	121,781	1,258,588

Notes:

(A) N/A

(B) Reserve was adjusted by (\$311,747) for Cost of Removal in June; (\$237,734) in July; 11,657 in August; and (\$8,471) in September.

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%, the monthly Equity Component of 4.7731% reflects a 12% return on equity.

(D) 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.

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.

(E) N/A

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
April 1995 through September 1995

Return on Capital Investments, Depreciation and Taxes
For Project: Continuous Emissions Monitoring (Project No. 3)
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		185,988	(1235,373)	1235,855	1331,523	1198,930	1190,871	1788,574
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	112,684,040	12,750,008	12,514,835	12,750,290	13,081,813	13,281,743	13,472,614	n/a
3. Less: Accumulated Depreciation (B)	154,254	201,189	247,501	287,046	340,136	388,628	433,394	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	112,529,786	112,548,839	112,267,334	112,463,244	112,741,677	112,893,114	113,039,221	n/a
6. Average Net Investment		12,539,312	12,407,988	12,305,189	12,902,480	12,818,395	12,987,167	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		81,283	80,399	80,121	81,859	83,058	84,022	490,521
b. Debt Component (Line 6 x 3.3510% x 1/12)		36,426	34,649	34,530	35,192	35,795	36,211	212,803
8. Investment Expenses								
a. Depreciation (D)		44,320	44,046	44,028	45,145	46,217	46,919	270,675
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		1162,009	1158,084	1158,679	1181,998	1165,070	1167,152	1174,000

Notes:

(A) N/A

(B) Reserve was adjusted by \$2,595 for Cost of Removal in April; \$2,285 in May; \$(483) for Cost of Removal and \$(4,000) for Other Recoveries in June; \$(55) for Cost of Removal and \$8,000 for Other Recoveries in July; \$276 for Cost of Removal in August; and \$(153) for Cost of Removal in September.

(C) The gross-up factor for taxes uses 0.81425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7761% reflects a 12% return on equity.

(D) 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.

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
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
April 1995 through September 1995

Return on Capital Investments, Depreciation and Taxes
For Project: Clean Closure Equivalency (Project No. 4)
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Closings to Plant		\$0	(\$15,641)	\$0	\$0	\$0	\$0	(\$15,641)
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$84,507	\$84,507	\$8,868	\$8,868	\$8,868	\$8,868	\$8,868	n/a
3. Less: Accumulated Depreciation (B)	2,027	2,228	2,408	2,597	2,785	2,973	3,160	n/a
4. CWP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$82,480	\$82,279	\$6,460	\$6,271	\$6,083	\$5,895	\$5,708	n/a
6. Average Net Investment		\$62,379	\$8,368	\$8,363	\$8,175	\$8,007	\$8,798	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		404	385	365	364	363	362	2,242
b. Debt Component (Line 6 x 3.3510% x 1/12)		181	166	157	157	156	156	973
8. Investment Expenses								
a. Depreciation (D)		201	181	188	188	188	188	1,134
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$785	\$732	\$710	\$709	\$707	\$708	\$4,350

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7761% reflects a 12% return on equity.

(D) 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.

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.

(E) N/A

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
April 1995 through September 1995

Return on Capital Investments, Depreciation and Taxes
For Project: Maintenance of Above Ground Storage Tanks (Project No. 5)
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$527,285	\$310,918	(\$12,364)	\$183,717	(\$8,879)	\$11,488	\$1,014,203
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$2,188,974	2,894,239	3,005,157	2,992,793	3,178,510	3,169,681	3,181,177	n/a
3. Less: Accumulated Depreciation (B)	21,512	28,848	39,338	49,243	59,369	69,714	80,087	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$2,145,462	\$2,864,393	\$2,965,819	\$2,943,550	\$3,117,144	\$3,099,967	\$3,101,110	n/a
6. Average Net Investment		2,404,927	2,815,108	2,954,885	3,030,347	3,108,558	3,100,538	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		15,588	18,241	18,145	18,635	20,142	20,090	112,839
b. Debt Component (Line 6 x 3.3510% x 1/12)		6,988	7,661	8,251	8,462	8,681	8,658	48,899
8. Investment Expenses								
a. Depreciation (D)		8,334	8,492	8,905	10,123	10,348	10,354	58,556
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$30,908	\$35,584	\$37,301	\$38,220	\$38,171	\$39,102	\$220,294

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7751% reflects a 12% return on equity.

(D) 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.

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.

(E) N/A

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
April 1995 through September 1995

Return on Capital Investments, Depreciation and Taxes
For Project: Relocate Turbine Oil (Underground Piping) (Project No. 7)
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$31,030	31,030	31,030	31,030	31,030	31,033	31,030	n/a
3. Less: Accumulated Depreciation (B)	1,774	1,882	1,950	2,038	2,126	2,214	2,301	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$28,256	\$28,168	\$28,080	\$28,992	\$28,904	\$28,816	\$28,729	n/a
6. Average Net Investment		28,212	28,124	28,036	28,948	28,860	28,772	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		189	189	188	188	187	188	1,127
b. Debt Component (Line 6 x 3.3510% x 1/12)		85	81	81	81	81	80	489
8. Investment Expenses								
a. Depreciation (D)		88	88	88	88	88	88	528
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$362	\$358	\$357	\$357	\$358	\$354	\$2,144

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7761% reflects a 12% return on equity.

(D) 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.

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.

(E) N/A

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
April 1995 through September 1995

Return on Capital Investments, Depreciation and Taxes
For Project: Oil Spill Cleanup/Response Equipment (Project No. B)
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	End of Period Amount
I. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$538,899	538,899	538,899	538,899	538,899	538,899	538,899	n/a
3. Less: Accumulated Depreciation (B)	121,861	128,148	134,831	142,288	148,917	155,988	182,215	n/a
4. CWP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$415,238	\$408,753	\$402,268	\$394,631	\$287,982	\$381,333	\$374,684	n/a
6. Average Net Investment		411,988	405,511	398,450	391,307	384,858	378,008	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		2,670	2,628	2,582	2,538	2,492	2,448	15,357
b. Debt Component (Line 6 x 3.3510% x 1/12)		1,197	1,132	1,113	1,093	1,074	1,058	6,864
B. Investment Expenses								
a. Depreciation								
b. Amortization (D)		6,485	6,485	7,637	6,649	6,649	6,649	40,554
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & B)		\$10,352	\$10,245	\$11,332	\$10,278	\$10,215	\$10,154	\$62,578

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7761% reflects a 12% return on equity.

(D) Amortization 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.

(E) N/A

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
April 1995 through September 1995

Return on Capital Investments, Depreciation and Taxes
For Project: Relocate Storm Water Runoff (Project No. 10)
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$117,794	117,794	117,794	117,794	117,794	117,794	117,794	n/a
3. Less: Accumulated Depreciation (B)	3,051	3,321	3,581	3,881	4,131	4,401	4,671	n/a
4. CWP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$114,743	\$114,473	\$114,203	\$113,933	\$113,663	\$113,393	\$113,123	n/a
6. Average Net Investment		114,608	114,338	114,068	113,798	113,528	113,258	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		743	741	739	737	738	734	1,430
b. Debt Component (Line 6 x 3.3510% x 1/12)		333	319	319	318	317	318	1,922
8. Investment Expenses								
a. Depreciation (D)		270	270	270	270	270	270	1,620
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$1,348	\$1,330	\$1,328	\$1,325	\$1,323	\$1,320	\$7,972

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7761% reflects a 12% return on equity.

(D) 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.

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.

(E) N/A

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
April 1995 through September 1995

Return on Capital Investments, Depreciation and Taxes
For Project: Scharer Discharge Pipeline (Project No. 12)
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$2,187	(\$788)	\$653	\$891	(\$378)	(\$128)	\$2,237
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$881,903	\$84,090	\$83,302	\$83,955	\$84,648	\$84,268	\$84,140	n/a
3. Less: Accumulated Depreciation (B)	22,222	24,408	28,598	28,784	30,874	33,184	35,353	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$839,681	\$839,682	\$838,708	\$835,171	\$833,672	\$831,104	\$828,787	n/a
6. Average Net Investment		\$39,682	\$38,194	\$35,939	\$34,422	\$32,388	\$29,948	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		5,442	5,431	5,417	5,407	5,394	5,378	32,487
b. Debt Component (Line 6 x 3.3510% x 1/12)		2,439	2,341	2,334	2,330	2,324	2,318	14,088
8. Investment Expenses								
a. Depreciation (D)		2,188	2,188	2,188	2,190	2,190	2,189	13,131
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$10,087	\$9,960	\$9,939	\$9,927	\$9,908	\$9,885	\$59,686

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7761% reflects a 12% return on equity.

(D) 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.

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.

(E) N/A

