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ORIGINAL
FILE COPY

Matthew M. Childs, P.A.

June 23, 1997

Blanca S. Bayó Director
Division of Records and Reporting
Florida Public Service Commission
4075 Esplanade Way, Room 110
Tallahassee, FL 32399-0850

RE: **DOCKET NO. 970001-EI**

Dear Ms. Bayó:

Enclosed for filing please find the original and ten (10) copies of Florida Power & Light Company's Petition For The Approval Of Its Levelized Fuel Cost Recovery Factors, Capacity Cost Recovery Factors and GPIF Targets in the above referenced docket.

Also enclosed please find the original and ten (10) copies of the Testimony and Exhibits of R. Silva, K.M. Dubin, M. Villar and R.L. Wade.

Very truly yours,



Matthew M. Childs, P.A.

- ACK Yardwei
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG Bass
- LEG I
- LIN 3+orig
- OPC _____
- RCH _____
- SEC I
- WAS _____
- OTH _____

MMC:ml

cc: All Parties of Record

Petition

DOCUMENT NUMBER-DATE

06269 JUN 23 5

Silva

DOCUMENT NUMBER-DATE

06270 JUN 23 5

Miami 305 577 7000
West Palm Beach 561 650 7200
Tallahassee 904 222 2300
305 577 7001 Fax 561 655 1009 Fax

FPSC-RECORDS/REPORTING

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Orlando 582 951 4105
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 970001-EI
FILED: JUNE 23, 1997

**PETITION OF FLORIDA POWER & LIGHT COMPANY
FOR APPROVAL OF ITS LEVELIZED FUEL COST RECOVERY FACTORS,
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 1.643 as its levelized fuel cost recovery charge for non-time differentiated rates and 1.734 cents per kWh and 1.607 cents per kWh as its levelized fuel recovery charges for the on-peak and off-peak periods respectively as its time differentiated rates for the period October 1997 through March 1998 billing period, and to approve the capacity cost recovery factors submitted as Attachment I to this Petition for the October 1997 through September 1998 billing period. All charges are to become effective starting with meter readings scheduled to be read on or after Cycle Day 3, 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 87.9% for weighted system equivalent availability and 9277 BTU/kWh for weighted system average net operating heat rate for the period October 1, 1997 through September 30, 1998. In support of this Petition, FPL states:

1. The calculations of fuel costs for the period October 1997 through March 1998, 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 K.M. Dubin filed in Docket No. 970001-EI, and are incorporated herein by reference.

2. The fuel factors developed and proposed by FPL for the period October 1997 through March 1998, reflect a final \$13,141,163 overrecovery for the October 1996 through March 1997 period and an estimated/actual \$14,618,648 overrecovery for the April 1997 through September 1997 period.

3. At the Prehearing Conference of February 5, 1997, several issues were raised (and deferred by Order No. PSC-97-0180-PHO-EI) in connection with FERC's Order No. 888 that requires investor owned utilities to flow through the cost of transmission when making Schedule C sales. FPL is proposing to include the transmission costs of Schedule C in the calculation of the Fuel Cost Recovery Clause.

4. FPL submits the capacity cost recovery factors, which are based on reasonable and prudent costs, for the period October 1997

through September 1998. The capacity cost recovery factors are included as Attachment I to this Petition.

5. FPL is requesting that it be authorized to recover \$4.7 million per year associated with future capacity payments to be made to Jacksonville Electric Authority (JEA) through the Capacity Cost Recovery Clause. FPL is requesting to collect this amount, because there is a mismatch between the period over which FPL currently anticipates it will continue to receive energy from JEA's ownership share of SJRPP, and the period over which FPL is contractually required to make annual capacity payments to JEA.

6. The GPIF targets for the period October 1997 through September 1998, 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 1997 through March 1998, will be \$74.34. The 1,000 kWh residential bill includes a base rate charge of \$47.46, a fuel recovery charge of \$16.46, a conservation charge of \$2.62, a capacity cost recovery charge of \$6.74, an environmental cost recovery charge of \$.31, and Gross Receipt Tax of \$.75.

WHEREFORE, FPL respectfully requests this Commission to approve the fuel and purchased power cost recovery charges for the period October 1997 through March 1998, and the capacity cost

recovery charges for the period October 1997 through September 1998 requested herein for its billing period effective starting with scheduled meter readings to be read on or after Cycle Day 3, and to continue these charges until modified by subsequent order of this Commission, to approve the recovery of \$4.7 million per year associated with future capacity payments to be made to JEA, and to approve the proposed GPIF targets for the period October 1, 1997 through September 30, 1998. In addition, FPL proposes to include the transmission costs of Schedule C in the calculation of the Fuel Cost Recovery Clause.

DATED this 23rd day of June 1997.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP
215 South Monroe Street
Suite 601
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Attorneys for Florida Power
& Light Company

By: 
Matthew M. Childs, P.A.

**CERTIFICATE OF SERVICE
DOCKET NO. 970001-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, Capacity Cost Recovery Factors and GPIF Targets and the Testimony and Exhibits of R. Silva, K.M. Dubin, M. Villar and R. L. Wade has been furnished by Hand Delivery,** or U.S. Mail this 23rd day of June, 1997, to the following:

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Matthew M. Childs, P.A.

FLORIDA POWER & LIGHT COMPANY
CALCULATION OF CAPACITY PAYMENT RECOVERY FACTOR
OCTOBER 1997 THROUGH SEPTEMBER 1998

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	53.68189%	61.62900%	\$19,837,732	\$273,294,270	\$293,132,002	43,499,784,003	-	-	-	0.00674
GS1	6.18711%	6.11558%	\$2,266,369	\$27,119,590	\$29,405,989	5,013,568,753	-	-	-	0.00587
GSD1	22.61038%	19.04896%	\$8,355,463	\$84,472,772	\$92,828,265	18,321,877,523	48.29734%	43,269,950	2.15	-
OS2	0.02629%	0.01499%	\$0,715	\$95,177	\$76,188	21,848,103	-	-	-	0.00349
GSILD1/CS1	9.21492%	7.45877%	\$3,405,303	\$33,075,978	\$36,481,281	7,469,585,408	61.64309%	16,599,279	2.20	-
GSILD2/CS2	1.64444%	1.23479%	\$607,690	\$5,475,687	\$6,083,377	1,338,828,241	66.57248%	2,754,909	2.21	-
GSILD3/CS3	0.74294%	0.56302%	\$274,548	\$2,496,717	\$2,771,265	630,688,107	66.94134%	1,290,617	2.15	-
ISST1D	0.00080%	0.00034%	\$296	\$1,508	\$1,804	649,860	64.14112%	1,388	**	-
SST1T	0.10972%	0.16805%	\$40,546	\$745,219	\$785,765	93,144,443	10.90609%	1,169,944	**	-
SST1D	0.08958%	0.03710%	\$25,713	\$164,520	\$190,233	57,333,557	79.74097%	98,493	**	-
CILC D/CILC G	3.52792%	2.58131%	\$1,303,716	\$11,446,841	\$12,750,557	2,870,028,677	69.22581%	5,679,307	2.25	-
CILC T	1.41722%	0.92303%	\$523,723	\$4,093,184	\$4,616,907	1,203,092,113	75.46840%	2,183,790	2.11	-
MET	0.10489%	0.09756%	\$38,761	\$432,631	\$471,392	87,148,114	59.65019%	200,135	2.36	-
OL1/SL1	0.56825%	0.06491%	\$209,992	\$287,844	\$497,836	460,469,397	-	-	-	0.00108
SL2	0.09365%	0.06280%	\$34,608	\$277,600	\$312,208	75,889,711	-	-	-	0.00411
TOTAL			\$36,954,235	\$443,450,834	\$480,405,069	81,143,934,000		73,247,812		

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 1997 through September 1998
- (7) (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 =	<u>(Total col 5)/(Doc 2, Total col 7)/(10) (Doc 2, col 4)</u>	
Charge (RDC)	12 months	
Sum of Daily		
Demand =	<u>(Total col 5)/(Doc 2, Total col 7)/(21 onpeak days) (Doc 2, col 4)</u>	
Charge (SDD)	12 months	
CAPACITY RECOVERY FACTOR		
	RDC	SDD
	** (\$/kw)	** (\$/kw)
ISST1 (D)	\$0.29	\$0.14
SST1 (T)	\$0.27	\$0.13
SST1 (D)	\$0.29	\$0.14