



ORIGINAL

**Florida
Power**
CORPORATION

JAMES A. MCGEE
SENIOR COUNSEL

November 26, 1997

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 970001-EI

Dear Ms. Bayó:

I am advised that an error has been discovered in the interest calculation contained in Mr. Scardino's true-up testimony filed on November 20, 1997. To correct this error, I have enclosed for filing in the subject docket an original and ten copies of revised Exhibit (JS-2), Sheets 1, 2 and 3 of 3 and revised page 10 of Mr. Scardino's testimony, which corrects the figures on lines 17 and 24.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

ACK _____
AFA *JAM*
APP _____
CAF _____
CMU _____
CTR _____ JAM/kp
EAG _____ Enclosure
LEG 1 cc: Parties of record
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A Florida Progress Company

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CERTIFICATE OF SERVICE

Docket No. 970001

I HEREBY CERTIFY that a true and correct copy of Revised Testimony and Exhibit of John J. Scardino, Jr. on behalf of Florida Power Corporation has been sent by regular U.S. mail to the following individuals this 26th day of November, 1997:

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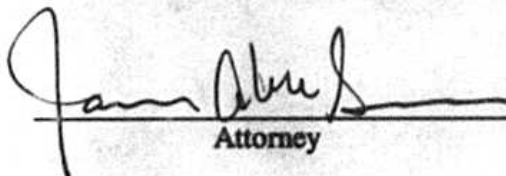
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Attorney

1 the regulatory asset. Approximately \$75 million of the purchase price
2 was included in the rate base. The remaining amount was set up as a
3 regulatory asset for both the wholesale and retail jurisdictions,
4 according to Florida Power's jurisdictional separation at that time.

5 The method for amortizing the Tiger Bay regulatory asset approved
6 in the stipulation, using PPA revenues minus fuel expense and interest,
7 results in the retail regulatory asset being fully amortized by January
8 2008. As of the period ending September 30, 1997, the Tiger Bay
9 retail regulatory asset balance, computed in accordance with the
10 approved stipulation, and presented on JS-3, Sheet 1 of 1, stands at
11 \$350,676,037.

12
13 **CAPACITY COST RECOVERY**

14 **Q. What is the Company's jurisdictional ending balance as of September**
15 **30, 1997 for capacity cost recovery?**

16 **A. The actual ending balance as of September 30, 1997 for true-up**
17 **purposes is an underrecovery of \$6,603,921.**

18
19 **Q. How does this amount compare to the Company's estimated ending**
20 **balance included in the October 1997 through March 1998 period?**

21 **A. When the estimated underrecovery of \$8,361,941 to be collected**
22 **during the period of October 1997 through March 1998 is taken into**
23 **account the final true-up attributable to the six month period ended**
24 **September 1997 period is an overrecovery of \$1,758,020.**

Florida Power Corporation
Docket No. 970001-E1
Witness: Scardino
Exhibit No. (JS-2)
Sheet 1 of 3

FLORIDA POWER CORPORATION
Capacity Cost Recovery Clause
Summary of Actual True-Up Amount
April 1997 through September 1997

Line No.	Description	Actual	Original Estimate	Variance
1				
2	Jurisdictional:			
3	Capacity Cost Recovery Revenues			
4	Sheet 2 of 3, Column G, Line 37	\$ 130,325,412	\$ 137,612,084	\$ (7,286,672)
5				
6	Capacity cost Recovery Expenses			
7	Sheet 2 of 3, Column G, Line 33	136,643,993	137,612,084	\$ (968,091)
8				
9	Plus/(Minus) Interest Provision			
10	Sheet 2 of 3, Column G, Line 39	(285,340)	(257,462)	\$ (27,858)
11				
12	Sub Total Current Period Over/(Under) Recovery	\$ (6,603,921)	\$ (257,482)	\$ (6,346,439)
13				
14	Prior Period True-up - October 1996 through			
15	March 1997 - Over/(Under) Recovery			
16	Sheet 2 of 3, Column G, Line 42	(2,826,584)	1,247,824	(4,074,408)
17				
18	Prior Period True-up (Refunded)/Collected			
19	Sheet 2 of 3, Column G, Line 43	2,826,584	(1,247,824)	4,074,408
20				
21	Actual True-up ending balance Over/(Under) recovery			
22	for the period April 1997 through September 1997			
23	Sheet 2 of 3, Column G, Line 44	\$ (6,603,921)	\$ (257,482)	\$ (6,346,439)
24				
25	Estimated True-up ending balance for the			
26	period included in the filing of Levelized			
27	Fuel Cost Factors October 1997 through March 1998			
28	Docket No. 970001 - E1, Part D,			
29	Sheet 1 of 5, Line 34	(8,361,941)		
30				
31	Final Over/(Under) Recovery for the period April 1997			
32	through September 1997 (Line 23 + Line 29)	\$ 1,758,020		

FLORIDA POWER CORPORATION
CAPACITY COST RECOVERY CLAUSE
TRUE-UP CALCULATION
FOR THE PERIOD APRIL 1987 THROUGH SEPTEMBER 1997

Florida Power Corporation
Docket #70001-E
Witness: Securities
Exhibit No. L-25-2
Sheet 2 of 3

	APRIL 1987	MAY 1987	JUNE 1987	JULY 1987	AUGUST 1987	SEPTEMBER 1987	6 Months Cumulative
1 Base Production Level Capacity Charge	481,830	481,830	481,830	481,830	481,830	481,830	481,830
2 Adairville Power Partners, L.P. (ADIRVILLE)	1,830,105	1,830,105	1,830,105	1,830,105	1,830,105	1,830,105	1,830,105
3 Bay County (BAYCOUNT)	152,700	152,700	152,700	152,700	152,700	152,700	152,700
4 Coughlin Partners, Inc. (CAUGHLIN)	337,500	337,500	337,500	337,500	337,500	337,500	337,500
5 Lake Cogon Limited (LAKECOGON)	1,765,750	1,765,750	1,765,750	1,765,750	1,765,750	1,765,750	1,765,750
6 Lake County (LAKECOUNT)	288,043	288,043	288,043	288,043	288,043	288,043	288,043
7 McIntosh County (MCINTOSH)	571,524	571,524	571,524	571,524	571,524	571,524	571,524
8 Orange Cogon (ORANGE)	1,478,146	1,478,146	1,478,146	1,478,146	1,478,146	1,478,146	1,478,146
9 Orlando Cogon Limited (ORLANDO)	1,298,753	1,298,753	1,298,753	1,298,753	1,298,753	1,298,753	1,298,753
10 Peace Cogon Limited (PEACE)	2,732,087	2,732,087	2,732,087	2,732,087	2,732,087	2,732,087	2,732,087
11 Peace County Resources Recovery (PEACECOUNT)	521,410	521,410	521,410	521,410	521,410	521,410	521,410
12 Pinellas County Resources Recovery (PINELLASCOUNT)	1,241,183	1,241,183	1,241,183	1,241,183	1,241,183	1,241,183	1,241,183
13 Polk Power Partners, L.P. (POLK)	1,887,832	1,887,832	1,887,832	1,887,832	1,887,832	1,887,832	1,887,832
14 Polk Power Partners, L.P. (POLK)	675,894	675,894	675,894	675,894	675,894	675,894	675,894
15 Tiger Bay Limited Partnership (TIGERBAY)	803,782	803,782	803,782	803,782	803,782	803,782	803,782
16 Tiger Bay Limited Partnership (TIGERBAY)	3,112,824	3,112,824	3,112,824	3,112,824	3,112,824	3,112,824	3,112,824
17 Tiger Bay Limited Partnership (TIGERBAY)	108,948	108,948	108,948	108,948	108,948	108,948	108,948
18 Timber Energy Resources, Inc. (TIMBER)	282,701	282,701	282,701	282,701	282,701	282,701	282,701
19 U.S. Agr-Chemicals (USAGRICHEM)	20,529	20,529	20,529	20,529	20,529	20,529	20,529
20 Wheelabrator Hills Energy, Inc. (WHEELABRATOR)	800,948	800,948	800,948	800,948	800,948	800,948	800,948
21 Tiger Bay (Small/Not Issued)	(682,087)	(682,087)	(682,087)	(682,087)	(682,087)	(682,087)	(682,087)
22 Federal - Base Level Capacity Charge	20,271,454	20,271,454	20,271,454	20,271,454	20,271,454	20,271,454	20,271,454
23 Base Production Jurisdictional Responsibility	65,367%	65,367%	65,367%	65,367%	65,367%	65,367%	65,367%
24 Base Level Jurisdictional Capacity Charge	18,398,858	18,398,858	18,398,858	18,398,858	18,398,858	18,398,858	18,398,858
25 Intermediate Production Level Capacity Charge	471,367	471,367	471,367	471,367	471,367	471,367	471,367
26 UPS Purchase (000 total used)	4,637,088	4,637,088	4,637,088	4,637,088	4,637,088	4,637,088	4,637,088
27 Schedule H Capacity Sales	(2,268)	(2,268)	(2,478)	(2,862)	(2,862)	(2,862)	(2,862)
28 Self-Install - Intermediate Level Capacity Charge	4,608,178	5,148,082	4,507,440	5,117,088	5,048,011	5,084,057	26,818,081
29 Intermediate Production Jurisdictional Responsibility	84,007%	84,007%	84,007%	84,007%	84,007%	84,007%	84,007%
30 Intermediate Level Jurisdictional Capacity Charge	4,121,532	4,325,438	3,788,570	4,288,713	4,288,882	4,278,384	25,858,819
31 Selling Base Rate Credits	(881,494)	(271,538)	(552,868)	(554,854)	(583,358)	(581,208)	(2,845,281)
32 Adjustment for Prior Cap Exp (jurisdictional) Selling 08888	22,182,878	22,300,388	21,858,148	22,188,174	22,354,757	22,877,575	128,843,883
33 Jurisdictional Capacity Charge	17,888,858	18,884,888	22,844,848	24,818,752	24,882,142	25,312,488	133,151,888
34 Capacity Cost Recovery Revenues (not of total)	(471,882)	(471,882)	(471,882)	(471,882)	(471,882)	(471,882)	(2,828,588)
35 Capacity Cost Revenues Adjustment (not of total)	17,888,858	18,884,888	22,844,848	24,818,752	24,882,142	25,312,488	133,151,888
36 Prior Period True-Up Provisions	17,888,858	17,888,858	17,888,858	17,888,858	17,888,858	17,888,858	17,888,858
37 Current Period Capacity Cost Recovery Revenues (not of total from lines 34 through 36)	17,888,858	17,888,858	17,888,858	17,888,858	17,888,858	17,888,858	17,888,858
38 True-Up Provisions - Over/Under Recovery (line 37 - line 33)	6,888,212	6,888,212	6,888,212	6,888,212	6,888,212	6,888,212	6,888,212
39 Interest Provisions for the Month	(5,788,212)	(5,788,212)	(5,788,212)	(5,788,212)	(5,788,212)	(5,788,212)	(5,788,212)
40 Current Cycle Subsidy (line 38 + line 39) Computed	6,718,978	6,718,978	6,718,978	6,718,978	6,718,978	6,718,978	6,718,978
41 True-Up & Interest Provisions (beginning)	(2,828,588)	(2,828,588)	(2,828,588)	(2,828,588)	(2,828,588)	(2,828,588)	(2,828,588)
42 Prior Period True-Up Collected (beginning) Cumulative	471,882	471,882	471,882	471,882	471,882	471,882	471,882
43 Other:	0	0	0	0	0	0	0
44 End of Period Net True-Up (lines 40 through 43) Over / (Under)	(8,888,448)	(8,888,448)	(8,888,448)	(8,888,448)	(8,888,448)	(8,888,448)	(8,888,448)
45	0	0	0	0	0	0	0
46	0	0	0	0	0	0	0
47	0	0	0	0	0	0	0
48	0	0	0	0	0	0	0
49	0	0	0	0	0	0	0
50	0	0	0	0	0	0	0
51	0	0	0	0	0	0	0
52	0	0	0	0	0	0	0
53	0	0	0	0	0	0	0
54	0	0	0	0	0	0	0
55	0	0	0	0	0	0	0
56	0	0	0	0	0	0	0
57	0	0	0	0	0	0	0
58	0	0	0	0	0	0	0
59	0	0	0	0	0	0	0
60	0	0	0	0	0	0	0
61	0	0	0	0	0	0	0
62	0	0	0	0	0	0	0
63	0	0	0	0	0	0	0
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65	0	0	0	0	0	0	0
66	0	0	0	0	0	0	0
67	0	0	0	0	0	0	0
68	0	0	0	0	0	0	0
69	0	0	0	0	0	0	0
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73	0	0	0	0	0	0	0
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104	0	0	0	0	0	0	0
105	0	0	0	0	0	0	0
106	0	0	0	0	0	0	0
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147	0	0	0	0	0	0	0
148	0	0	0</				

FLORIDA POWER CORPORATION
 CAPACITY COST RECOVERY CLAUSE
 TRUE-UP CALCULATION
 FOR THE PERIOD APRIL 1997 THROUGH SEPTEMBER 1997

Description	1997		1997		1997		1997	
	April	May	June	July	August	September		
Interest Provisions:								
1. Beginning True-Up	(2,828,584)	(8,074,468)	(13,510,324)	(13,488,866)	(11,791,209)	(9,202,417)		
2. Ending True-Up	(8,040,704)	(13,459,934)	(14,394,230)	(11,732,317)	(9,153,824)	(6,567,494)		
3. Total True-Up (Line 1 + Line 2)	(10,875,288)	(21,534,402)	(27,904,554)	(25,221,213)	(20,945,033)	(15,769,911)		
4. Average True-Up (60% of line 3)	(6,437,944)	(10,767,201)	(13,947,277)	(12,610,607)	(10,472,517)	(7,884,956)		
5. Interest Rate - First Day of Reporting Month	5.75%	5.62%	5.60%	5.62%	5.58%	5.56%		
6. Interest Rate - First Day of Subsequent Month	5.62%	5.60%	5.62%	5.58%	5.56%	5.53%		
7. Total Interest (line 5 + line 6)	11.37%	11.22%	11.22%	11.20%	11.14%	11.09%		
8. Average Interest Rate (60% of line 7)	5.69%	5.61%	5.61%	5.60%	5.57%	5.55%		
9. Monthly Average Interest Rate (line 8 / 12)	0.47%	0.47%	0.47%	0.47%	0.46%	0.46%		
10. Interest Provision (line 4 x line 9)	(25,764)	(50,391)	(65,273)	(58,892)	(48,592)	(38,428)		
11. Cumulative Interest for the Period Ending	(25,764)	(76,154)	(141,427)	(200,319)	(248,911)	(285,340)		

11/26/97

SCARDINO\FP\TRUUP\TRUUP.XLS