

ORIGINAL

**BEFORE THE FLORIDA  
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 990001-EI  
FLORIDA POWER & LIGHT COMPANY**

**APRIL 1, 1999**

**IN RE: LEVELIZED FUEL COST RECOVERY  
AND CAPACITY COST RECOVERY  
FINAL TRUE-UP  
APRIL 1998 THROUGH DECEMBER 1998**

**TESTIMONY & EXHIBITS OF:**

**K. M. DUBIN**

DOCUMENT NUMBER - DATE

04193 APR-18

FPSC - RECORDS REPORTING

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**FLORIDA POWER & LIGHT COMPANY**

**TESTIMONY OF KOREL M. DUBIN**

**DOCKET NO. 990001-EI**

**April 1, 1999**

**Q. Please state your name, business address, employer and position.**

A. My name is Korel M. Dubin, and my business address is 9250 West Flagler Street, Miami, Florida, 33174. I am employed by Florida Power & Light Company (FPL) as Principal Rate Analyst in the Rates and Tariffs Department.

**Q. Have you previously testified in this docket?**

A. Yes, I have.

**Q. What is the purpose of your testimony in this proceeding?**

A. The purpose of my testimony is to present the schedules necessary to support the actual Fuel Cost Recovery Clause (FCR) and Capacity Cost Recovery Clause (CCR) Net True-Up amounts for the period April 1998 through December 1998. The Net True-Up for the FCR is an overrecovery, including interest, of \$33,531,098. The Net True-Up for the CCR is an overrecovery, including interest, of \$5,204,837. I am requesting Commission

1 approval to include these true-up amounts in the calculation of the FCR and  
2 CCR factors respectively, for the period January 2000 through December  
3 2000.

4  
5 **Q. Have you prepared or caused to be prepared under your direction,  
6 supervision or control an exhibit in this proceeding?**

7 A. Yes, I have. It consists of two appendices. Appendix I contains the FCR  
8 related schedules and Appendix II contains the CCR related schedules. FCR  
9 Schedules A-1 through A-13 for the April 1998 through December 1998  
10 period have been filed monthly with the Commission and served on all  
11 parties. These schedules are incorporated herein by reference.

12  
13 **Q. What is the source of the data which you will present by way of  
14 testimony or exhibits in this proceeding?**

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

20  
21 **FUEL COST RECOVERY CLAUSE (FCR)**

22  
23 **Q. Please explain the calculation of the Net True-up Amount.**

1 A. Appendix I, page 3, entitled "Summary of Net True-Up", shows the calculation  
2 of the Net True-Up for the nine-month period April 1998 through December  
3 1998, an overrecovery of \$33,531,098 which I am requesting be included in  
4 the calculation of the FCR factor for the period January 2000 through  
5 December 2000. The calculation of the true-up amount for the period follows  
6 the procedures established by this Commission as set forth on Commission  
7 Schedule A-2 "Calculation of True-Up and Interest Provision".

8  
9 The actual End-of-Period underrecovery for the nine-month period April 1998  
10 through December 1998 of \$95,639,291 is shown on line 1. The  
11 estimated/actual End-of-Period underrecovery for the same period of  
12 \$129,170,389 is shown on line 2. This was included in the calculation of the  
13 FCR factor for the period January 1999 through December 1999. Line 1 less  
14 line 2 results in the Net True-Up for the nine-month period April 1998 through  
15 December 1998 shown on line 3, an overrecovery of \$33,531,098.

16  
17 **Q. Have you provided a schedule showing the variances between actuals  
18 and estimated/actuals?**

19 A. Yes. Appendix I, page 4, entitled "Calculation of Final True-up Variances",  
20 shows the actual fuel costs and revenues compared to the estimated/actuals  
21 for the period April 1998 through December 1998.

22  
23

1 **Q. What was the variance in fuel costs?**

2 A. As shown on Appendix I, page 4, line A7, actual fuel costs on a Total  
3 Company basis were \$4 million or 0.4% higher than the estimated/actual  
4 projection. This variance is primarily due to a \$41 million increase in the Fuel  
5 Cost of System Net Generation, offset by a \$24 million decrease in the  
6 Energy Cost of Economy Purchases and a \$13 million decrease in Energy  
7 Payments to Qualifying Facilities.

8

9 The \$41 million increase in the Fuel Cost of System Net Generation is due to  
10 a 20% higher than projected use of natural gas and a 7% higher than  
11 projected use of heavy oil. Energy Cost of Economy Purchases is \$24 million  
12 lower than projected due to economy energy purchases being offset by an  
13 increase in system generation. The \$13 million decrease in Energy  
14 Payments to Qualifying Facilities is due to QF deliveries, primarily Indiantown  
15 Cogeneration Limited (ICL) and Cedar Bay, being approximately 420,000  
16 MWHs less than projected.

17 **Q. What was the variance in retail (jurisdictional) Fuel Cost Recovery**  
18 **revenues?**

19 A. As shown on Appendix 1, page 4, line D1, actual jurisdictional Fuel Cost  
20 Recovery revenues, net of revenue taxes, were \$37,572,519 higher than the  
21 estimated/actual projection. This increase was due to higher than projected  
22 jurisdictional kWh sales. Jurisdictional sales were 2.9% higher than the  
23 estimated/actual projection.

1 **Q. How is Real Time Pricing (RTP) reflected in the calculation of the Net**  
2 **True-up Amount?**

3 A. In the determination of Jurisdictional kWh sales, only kWh sales associated  
4 with RTP baseline load are included, consistent with projections (Appendix I,  
5 page 4, Line C3). In the determination of Jurisdictional Fuel Costs, revenues  
6 associated with RTP incremental kWh sales are included as 100% Retail  
7 (Appendix I, page 4, Line D4c) in order to offset incremental fuel used to  
8 generate these kWh sales.

9  
10

11 **CAPACITY COST RECOVERY CLAUSE (CCR)**

12

13 **Q. Please explain the calculation of the Net True-up Amount.**

14 A. Appendix II, page 3, entitled "Summary of Net True-Up Amount" shows the  
15 calculation of the Net True-Up for the nine-month period April 1998 through  
16 December 1998, an overrecovery of \$5,204,837, which I am requesting to be  
17 included in the calculation of the CCR factors for the January 2000 through  
18 December 2000 period.

19

20 The actual End-of-Period overrecovery for the nine-month period April 1998  
21 through December 1998 of \$70,611,128 shown on line 1 less the  
22 estimated/actual End-of-Period overrecovery for the same period of  
23 \$65,406,291, shown on line 2 results in the Net True-Up for the nine-month

1 period April 1998 through December 1998 shown on line 3, an overrecovery  
2 of \$5,204,837.

3

4 **Q. Have you provided a schedule showing the calculation of the End-of-**  
5 **Period true-up?**

6 A. Yes. Appendix II, page 4, entitled "Calculation of Final True-up Amount",  
7 shows the calculation of the CCR End-of period true-up for the nine-month  
8 period April 1998 through December 1998. The End of-Period true-up shown  
9 on line 17 plus line 18 is an overrecovery of \$70,611,128.

10

11 **Q. Is this true-up calculation consistent with the true-up methodology used**  
12 **for the other cost recovery clauses?**

13 A. Yes it is. The calculation of the true-up amount follows the procedures  
14 established by this Commission as set forth on Commission Schedule A-2  
15 "Calculation of True-Up and Interest Provision" for the Fuel Cost Recovery  
16 Clause.

17

18 **Q. Have you provided a schedule showing the variances between actuals**  
19 **and estimated/actuals?**

20 A. Yes. Appendix II, page 5, entitled "Calculation of Final True-up Variances",  
21 shows the actual capacity charges and applicable revenues compared to the  
22 estimated/actuals for the period April 1998 through December 1998.

23

1 **Q. What was the variance in net capacity charges?**

2 A. As shown on line 7, actual net capacity charges on a Total Company basis  
3 were \$2.1 million higher than the estimated/actual projection. This variance  
4 was primarily due to lower than expected revenues from capacity sales, offset  
5 by lower than expected purchased power capacity payments to non-  
6 cogenerators and cogenerators.

7

8 Revenues from capacity sales were lower than projected due to milder  
9 weather conditions than had been experienced in the earlier part of the  
10 period. Capacity payments to non-cogenerators were lower than expected as  
11 a result of lower than projected plant investment. Payments to cogenerators  
12 were lower than projected since Cedar Bay capacity payments were less than  
13 estimated. Additionally, Bio-Energy did not qualify for a capacity payment as  
14 expected during the period.

15

16 **Q. What was the variance in Capacity Cost Recovery revenues?**

17 A. As shown on line 12, actual Capacity Cost Recovery revenues, net of  
18 revenue taxes, were \$7.3 million higher than the estimated/actual projection.  
19 This increase was primarily due to higher jurisdictional kWh sales than  
20 projected. Jurisdictional sales were 2.9% higher than the estimated/actual  
21 projection.

22

23 **Q. Does this conclude your testimony?**

1 A. Yes, it does.

**APPENDIX I**

**FUEL COST RECOVERY**

**TRUE-UP CALCULATION**

**KMD - 1**  
**DOCKET NO. 990001-EI**  
**FPL WITNESS: K. M. DUBIN**  
**EXHIBIT \_\_\_\_\_**  
**PAGES 1-4**  
**APRIL 1, 1999**

**APPENDIX I**  
**FUEL COST RECOVERY CLAUSE**  
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<b>3</b>	<b>SUMMARY OF NET TRUE-UP AMOUNT</b>
<b>4</b>	<b>CALCULATION OF FINAL TRUE-UP VARIANCES</b>

**FLORIDA POWER & LIGHT COMPANY  
FUEL COST RECOVERY CLAUSE  
SUMMARY OF NET TRUE-UP FOR THE  
NINE MONTH PERIOD APRIL THROUGH DECEMBER 1998**

1	End of Period True-up for the nine month period April through December 1998 (from page 4, lines D7 & D8)	\$ (95,639,291)
2	Less - Estimated/Actual True-up for the same period *	(129,170,389)
3	Net True-up for the nine month period April through December 1998	<u>\$ 33,531,098</u>

( ) Reflects Underrecovery

\* Approved in FPSC Order No. PSC-98-1715-FOF-EI dated December 18, 1998

**FLORIDA POWER & LIGHT COMPANY**  
**FUEL COST RECOVERY CLAUSE**  
**CALCULATION OF FINAL TRUE-UP VARIANCES**  
**NINE MONTH PERIOD APRIL THROUGH DECEMBER 1998**

LINE NO.		(1)	(2)	(3)	(4)	
		ACTUAL	UPDATED ESTIMATE (a)	AMOUNT	%	
A	1 a	Fuel Cost of System Net Generation	\$ 1,072,553,806	\$ 1,030,560,149	\$ 41,993,657	4.1 %
	b	Nuclear Fuel Disposal Costs	17,094,185	16,845,686	248,499	1.5 %
	c	Coal Cars Depreciation & Return	3,749,863	3,723,771	26,092	0.7 %
	d	Nuclear Thermal Uprate Amortization & Return	3,241,844	3,241,844	0	0.0 %
	e	Gas Pipelines Depreciation & Return	2,393,429	2,393,429	(0)	0.0 %
	f	DOE Decontamination & Decommissioning Fund Payment	5,435,701	5,586,000	(150,299)	(2.7) %
	2	Fuel Cost of Power Sold	(47,417,729)	(47,669,328)	251,599	(0.5) %
	3 a	Fuel Cost of Purchased Power	108,131,655	110,451,646	(2,319,991)	(2.1) %
	b	Energy Payments to Qualifying Facilities	85,487,693	98,156,848	(12,669,155)	(12.9) %
	4	Energy Cost of Economy Purchases	22,836,002	46,454,218	(23,618,216)	(50.8) %
	5	Total Fuel Costs & Net Power Transactions	\$ 1,273,506,448	\$ 1,269,744,262	\$ 3,762,186	0.3 %
	6	Adjustments to Fuel Cost				
	a	Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (16,335,854)	\$ (16,794,945)	\$ 459,090	(2.7) %
	b	Reactive and Voltage Control Fuel Revenues	(432,301)	(232,451)	(199,850)	86.0 %
	c	Inventory Adjustments	180,394	190,120	(9,726)	N/A
	d	Non Recoverable Oil/Tank Bottoms	(8,018)	211,198	(219,216)	(103.8) %
	e	Modifications to Burn Low Gravity Oil	1,975,051	1,375,634	599,417	43.6 %
	7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 1,258,885,721	\$ 1,254,493,818	\$ 4,391,903	0.4 %
C	1	Jurisdictional kWh Sales	67,127,103,384	65,204,627,493	1,922,475,891	2.9 %
	2	Sale for Resale	350,577,713	343,106,944	7,470,769	2.2 %
	3	Total Sales (Excluding RTP Incremental)	67,477,681,097	65,547,734,437	1,929,946,660	2.9 %
	4		N/A	N/A	N/A	N/A
D	1	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	\$ 1,301,516,289	\$ 1,263,943,770	\$ 37,572,519	3.0 %
	a	Prior Period True-up Provision	(135,509,164)	(135,509,164)	0	0.0 %
	b	GPIF, Net of Revenue Taxes (b)	(2,855,039)	(2,855,039)	0	0.0 %
	c	Oil Backout Revenues, Net of revenue taxes	(126)	(150)	24	(16.1) %
	3	Jurisdictional Fuel Revenues Applicable to Period	\$ 1,163,151,960	\$ 1,125,579,418	\$ 37,572,543	3.3 %
	4 a	Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 1,258,885,721	\$ 1,254,493,818	\$ 4,391,903	0.4 %
	b	Nuclear Fuel Expense - 100% Retail	0	0	0	N/A
	c	RTP Incremental Fuel -100% Retail	830,083	542,109	287,973	53.1 %
	d	D&D Fund Payments -100% Retail	5,435,701	0	5,435,701	N/A
	e	Adj. Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (D4a-D4b-D4c-D4d)	1,252,619,936	1,253,951,709	4,103,929	0.3 %
	6	Jurisdictional Total Fuel Costs & Net Power Transactions	\$ 1,253,287,887	\$ 1,248,885,777	\$ 4,402,110	0.4 %
	7	True-up Provision for the Period- Over/(Under) Recovery (Line D3 - Line D6)	\$ (90,135,927)	\$ (123,306,360)	\$ 33,170,433	(26.9) %
	8	Interest Provision for the Month	(5,503,364)	(5,864,029)	360,665	(6.2) %
	9	True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	(135,509,164)	(135,509,164)	0	0.0 %
	a	Deferred True-up Beginning of Period - Over/(Under) Recovery	13,491,202	13,491,202	0	0.0 %
	10	Prior Period True-up Collected/(Refunded) This Period	135,509,164	135,509,164	(0)	0.0 %
	11	End of Period Net True-up Amount Over/(Under) Recovery (Lines D7 through D10)	\$ (82,148,089)	\$ (115,679,187)	\$ 33,531,098	(29.0) %
NOTES	(a)	Per Schedule E-1b, filed October 5, 1998.				
	(b)	Generation Performance Incentive Factor is $\frac{((\$5,801,940 / 2) / 9) \times 98.4167\%}{1}$ - See Order No. PSC-97-1045-FOF-EI & PSC-98-0412-FOF-EI.				

**APPENDIX II**  
**CAPACITY COST RECOVERY**  
**TRUE UP CALCULATION**

**KMD-2**  
**DOCKET NO 990001-EI**  
**FPL WITNESS: K. M. DUBIN**  
**EXHIBIT** \_\_\_\_\_  
**PAGES 1-6**  
**APRIL 1, 1999**

**APPENDIX II  
CAPACITY COST RECOVERY**

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4	CALCULATION OF FINAL TRUE-UP AMOUNT
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6	CALCULATION OF FINAL TRUE-UP VARIANCES

FLORIDA POWER & LIGHT COMPANY  
CAPACITY COST RECOVERY CLAUSE  
SUMMARY OF NET TRUE-UP AMOUNT FOR THE  
NINE MONTH PERIOD APRIL THROUGH DECEMBER 1998

1. True-up Amount for the nine month period ended December 31, 1998	\$ 70,611,128
2. Less: Estimated/Actual Over/(Under) Recovery for the same nine month period (a)	65,406,291
3. Net True-up: Over/(Under) Recovery to be carried forward to the January through December 2000 period	<u>\$5,204,837</u>

Notes: (a) Approved in FPSC Order No. PSC-98-1715-FOF-EI dated December 18, 1998.

( ) Denotes an underrecovery

**CAPACITY COST RECOVERY CLAUSE  
CALCULATION OF FINAL TRUE-UP AMOUNT  
FOR THE PERIOD APRIL THROUGH DECEMBER 1998**

LINE NO.		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	LINE NO.
		APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	TOTAL	
1.	UPS Capacity Charges	\$ 11,740,754	\$ 9,944,103	\$ 9,940,061	\$ 1,171,874	\$ 8,342,282	\$ 10,014,980	\$ 9,737,851	\$ 9,740,305	\$ 9,786,006	\$ 80,418,216	1.
2.	JEA/UPS Capacity Charges	-	-	-	-	-	-	-	-	-	-	2.
3.	QF Capacity Charges	24,953,830	24,885,138	24,931,411	25,161,758	24,977,643	24,936,518	24,934,246	24,915,329	24,906,527	224,602,401	3.
4.	SJRPP Capacity Charges	7,332,267	7,317,575	6,809,525	7,111,523	6,956,174	7,418,693	6,818,859	6,601,346	6,137,867	62,503,830	4.
4a.	SJRPP Suspension Accrual	391,667	391,667	391,667	391,667	391,667	391,667	391,667	391,667	391,667	3,525,000	4a.
4b.	Return Requirements on SJRPP Suspension Liability	(26,271)	(30,312)	(34,354)	(38,396)	(42,437)	(46,479)	(50,521)	(54,562)	(58,604)	(381,936)	4b.
5.	SJRPP Deferred Interest Payment	56,435	56,435	56,435	56,435	388,028	388,028	(62,888)	(62,888)	(62,888)	813,133	5.
6.	Cypress Settlement (Capacity)	1,530,589	-	-	-	-	-	1,530,589	-	148,450	3,209,628	6.
7.	Transmission of Electricity by Others - FPL Sales	143,986	447,468	30,446	238,364	61,745	201,610	16,200	2,438	60,909	1,203,165	7.
8.	Revenues from Capacity Sales	(735,948)	(1,618,781)	(23,692,850)	(16,581,063)	(6,992,235)	(5,371,137)	(738,145)	(398,284)	(1,281,622)	(67,410,065)	8.
9.	Total (Lines 1 through 8)	\$ 45,387,310	\$ 31,393,293	\$ 18,432,341	\$ 17,512,162	\$ 34,082,866	\$ 37,933,881	\$ 42,577,858	\$ 41,135,350	\$ 40,028,312	\$ 308,483,372	9.
10.	Jurisdictional Separation Factor (a)	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	N/A	10.
11.	Jurisdictional Capacity Charges	44,116,107	30,514,033	17,916,090	17,021,683	33,128,277	36,871,432	41,385,342	39,983,235	38,907,203	299,843,401	11.
12.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(42,709,194)	12.
13.	Jurisdictional Capacity Charges Authorized	\$ 39,370,641	\$ 25,768,567	\$ 13,170,624	\$ 12,276,217	\$ 28,382,811	\$ 32,125,966	\$ 36,639,876	\$ 35,237,769	\$ 34,161,737	\$ 257,134,207	13.
14.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 25,835,592	\$ 26,090,144	\$ 32,242,608	\$ 34,852,559	\$ 33,664,909	\$ 33,739,517	\$ 32,198,129	\$ 28,503,261	\$ 26,726,799	\$ 273,853,518	14.
15.	Prior Period True-up Provision	5,631,576	5,631,576	5,631,576	5,631,576	5,631,576	5,631,576	5,631,576	5,631,576	5,631,576	50,684,184	15.
16.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 31,467,168	\$ 31,721,720	\$ 37,874,184	\$ 40,484,135	\$ 39,296,485	\$ 39,371,093	\$ 37,829,705	\$ 34,134,837	\$ 32,358,375	\$ 324,537,702	16.
17.	True-up Provision for Month - Over/(Under) Recovery (Line 16 - Line 13)	(7,903,472)	5,953,153	24,703,560	28,207,918	10,913,675	7,245,126	1,189,829	(1,102,932)	(1,803,362)	67,403,495	17.
18.	Interest Provision for Month	255,933	226,746	274,082	373,670	437,023	440,997	419,567	408,123	371,491	3,207,632	18.
19.	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	50,684,185	37,405,071	37,953,394	57,299,460	80,249,472	85,968,593	88,023,141	84,000,961	77,674,576	50,684,185	19.
20.	Deferred True-up - Over/(Under) Recovery	11,771,496	11,771,496	11,771,496	11,771,496	11,771,496	11,771,496	11,771,496	11,771,496	11,771,496	11,771,496	20.
21.	Prior Period True-up Provision - Collected/(Refunded) this Month	(5,631,576)	(5,631,576)	(5,631,576)	(5,631,576)	(5,631,576)	(5,631,576)	(5,631,576)	(5,631,576)	(5,631,576)	(50,684,184)	21.
22.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 17 through 21)	\$ 49,176,566	\$ 49,724,889	\$ 69,070,935	\$ 92,020,967	\$ 97,740,089	\$ 99,794,637	\$ 95,772,457	\$ 89,446,072	\$ 82,382,625	\$ 82,382,625	22.

Notes: (a) Per K. M. Dublin's Testimony Appendix IV, Page 3, Docket No. 980001-EI, filed January 12, 1998  
(b) For FPSC Order No. PSC-94-1092-POF-EI, Docket No. 940001-EI, as adjusted in August 1993, per E.L. Hoffman's Testimony Appendix IV, Docket No. 930001-EI, filed July 8, 1993.

FLORIDA POWER & LIGHT COMPANY  
CAPACITY COST RECOVERY CLAUSE  
CALCULATION OF INTEREST PROVISION  
FOR THE PERIOD APRIL THROUGH DECEMBER 1998

LINE NO.		(1) APR 1998	(2) MAY 1998	(3) JUN 1998	(4) JUL 1998	(5) AUG 1998	(6) SEP 1998	(7) OCT 1998	(8) NOV 1998	(9) DEC 1998	(10) TOTAL	LINE NO.
1.	Beginning True-up Amount	\$62,455,681	\$49,176,566	\$49,724,889	\$69,070,955	\$92,020,967	\$97,740,089	\$99,794,637	\$95,772,457	\$89,446,072	n/a	1.
2.	Ending True-up Amount											2.
	Before Interest	48,920,633	49,498,143	68,796,874	91,647,297	97,303,066	99,353,639	95,352,890	89,037,949	82,011,134	n/a	
3.	Total Beginning & Ending True-up Amount (Lines 1+2)	111,376,314	98,674,709	118,521,763	160,718,253	189,324,033	197,093,728	195,147,526	184,810,406	171,457,206	n/a	3.
4.	Average True-up Amount (50 % of Line 3)	\$55,688,157	\$49,337,355	\$59,260,882	\$80,359,126	\$94,662,017	\$98,546,864	\$97,573,763	\$92,405,203	\$85,728,603	n/a	4.
5.	Interest Rate - First day of Reporting Business Month	5.50000%	5.53000%	5.50000%	5.60000%	5.56000%	5.52000%	5.22000%	5.10000%	5.50000%	n/a	5.
6.	Interest Rate - First day of Subsequent Business Month	5.53000%	5.50000%	5.60000%	5.56000%	5.52000%	5.22000%	5.10000%	5.50000%	4.90000%	n/a	6.
7.	Total Interest Rate (Lines 5+6)	11.03000%	11.03000%	11.10000%	11.16000%	11.08000%	10.74000%	10.32000%	10.60000%	10.40000%	n/a	7.
8.	Average Interest Rate (50 % of Line 7)	5.51500%	5.51500%	5.55000%	5.58000%	5.54000%	5.37000%	5.16000%	5.30000%	5.20000%	n/a	8.
9.	Monthly Average Interest Rate (1/12 of Line 8)	0.45958%	0.45958%	0.46250%	0.46500%	0.46167%	0.44750%	0.43000%	0.44167%	0.43333%	n/a	9.
10.	Interest Provision for the Month (Line 4 X Line 9)	\$255,933	\$226,746	\$274,082	\$373,670	\$437,023	\$440,997	\$419,567	\$408,123	\$371,491	\$2,008,451	10.
NOTE: Columns and rows may not add due to rounding.												

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FLORIDA POWER & LIGHT COMPANY  
CAPACITY COST RECOVERY CLAUSE  
CALCULATION OF FINAL TRUE-UP VARIANCES  
FOR THE NINE MONTH PERIOD APRIL 1998 THROUGH DECEMBER 1998

	(1)	(2)	(3)	(4)
	ACTUAL	ESTIMATED / ACTUAL (a)	VARIANCE	PERCENTAGE CHANGE
1. Payments to Non-cogenerators	\$ 143,735,179	\$ 159,114,020	\$ (15,378,841)	-9.7%
2. Payments to Cogenerators	224,602,401	229,349,168	(4,746,767)	-2.1%
3. SJRPP Suspension Accrual	3,525,000	3,525,003	(3)	N/A
4. Return Requirements on SJRPP Suspension Liability	(381,936)	(381,936)	0	N/A
4b. Cypress Settlement (Capacity)	3,209,628	1,530,589	1,679,039	109.7%
5. Transmission of Electricity by Others - FPL Sales	1,203,165	922,009	281,156	30.5%
6. Revenues from Capacity Sales	(67,410,065)	(87,720,877)	20,310,812	-23.2%
7. Total (Lines 1 through 6)	\$ 308,483,372	\$ 306,337,976	\$ 2,145,396	0.7%
8. Jurisdictional Separation Factor	N/A	N/A	N/A	N/A
9. Jurisdictional Capacity Charges	\$ 299,843,401	\$ 297,758,092	\$ 2,085,309	0.7%
10. Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	\$ (42,709,194)	(42,709,194)	0	N/A
11. Jurisdictional Capacity Charges Authorized for Recovery through CCR Clause	\$ 257,134,207	\$ 255,048,898	\$ 2,085,309	0.8%
12. Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 273,853,518	\$ 266,527,861	\$ 7,325,657	2.7%
13. Prior Period True-up Provision	50,684,184	50,684,184	0	N/A
14. Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 324,537,702	\$ 317,212,045	\$ 7,325,657	2.3%
15. True-up Provision for Period - Over/(Under) Recovery (Line 14 - Line 11)	\$ 67,403,495	\$ 62,163,147	\$ 5,240,348	N/A
16. Interest Provision for Period	3,207,632	3,243,144	(35,512)	N/A
17. True-up & Interest Provision Beginning of Period - Over/(Under) Recovery	50,684,185	50,684,185	0	N/A
18. Deferred True-up - Over/(Under) Recovery	11,771,496	11,771,496	0	N/A
19. Prior Period True-up Provision - Collected/(Refunded) this Period	(50,684,185)	(50,684,185)	0	N/A
20. End of Period True-up - Over/(Under) Recovery (Sum of Lines 15 through 19)	\$ 82,382,624	\$ 77,177,787	\$ 5,204,837	N/A
Notes:	(a) Per K. M. Dubin's Testimony Appendix III, Page 7, Docket No. 980001-EI, filed October 5, 1998.			
	(b) Per FPSC Order No. PSC-84-1092-FOF-EI, Docket No. 940001-EI, as adjusted in August 1993, per E.L. Hoffman's Testimony Appendix IV, Docket No. 930001-EI, filed July 8, 1993.			