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Matthew M. Childs, P.A.

October 8, 1999

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. 990001-EI

Dear Ms. Bayó:

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

Very truly yours,



Matthew M. Childs, P.A.

MMC:ml

- AFA Vandiver cc: All Parties of Record
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG Bohrman
- LEG \_\_\_\_\_
- MAS 34 no test
- OPC \_\_\_\_\_
- PAI \_\_\_\_\_
- SEC +
- WAW \_\_\_\_\_
- OTH \_\_\_\_\_

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DOCUMENT NUMBER-DATE

12255 OCT-8 99

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchase power )  
cost recovery clause and generating )  
performance incentive factor )

DOCKET NO. 990001-EI  
FILED: OCTOBER 8, 1999

PETITION OF FLORIDA POWER & LIGHT COMPANY  
FOR APPROVAL OF ITS LEVELIZED FUEL COST RECOVERY FACTORS  
AND 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 1.894 as its levelized fuel cost recovery charge for non-time differentiated rates and 2.069 cents per kWh and 1.817 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 January 2000 through December 2000 billing period, and to approve the capacity cost recovery factors submitted as Attachment I to this Petition for the January 2000 through December 2000 billing period. All charges are to become effective starting with meter readings scheduled to be read on or

after Cycle Day 3, and will remain 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 88.1% for weighted system equivalent availability and 9473 BTU/kWh for weighted system average net operating heat rate January through December 2000. In support of this Petition, FPL states:

1. The calculations of fuel costs for the period January 2000 through December 2000, are contained in Commission Schedules E1 through E10 and Schedule H1 (designated Minimum Filing Requirements by the Commission's April 24, 1989, Directive), which are attached as Appendix II to the prepared written testimony of FPL witness K.M. Dubin filed in Docket No. 990001-EI, and are incorporated herein by reference.

2. The fuel factors developed and proposed by FPL for the period January 2000 through December 2000, reflect a final \$33,531,098 overrecovery for the April 1998 through December 1998 period and an estimated/actual \$8,846,485 overrecovery for the January 1999 through December 1999 period. Also reflected is a GPIF reward of \$11,367,066 for the period ending December 1998 which is being applied to the January through December 2000 time period. The \$11,367,066 is comprised of \$9,669,694 for the period October 1997 through September 1998 and \$1,697,372 for the period October 1998 through December 1998.

3. As described in the testimony of K.M. Dubin and R.L. Wade, FPL is proposing to amortize over the remaining lives of the

nuclear plants, the cost of partially burned nuclear fuel in the reactor cores at the end of the nuclear plants' lives (last core). FPL estimates that the last core amount is approximately \$77 million. If not addressed now, only future customers receiving service in the last cycle of operations will contribute to costs related to last core. FPL is proposing to amortize the last core so that, going forward, the costs of fuel will be matched appropriately to the customers who received service related to those costs. Amortization over the remaining life of the plants would result in approximately \$4.9 million to be recovered in the factor calculated for January through December 2000.

4. FPL submits that the capacity cost recovery factors, which are based on reasonable and prudent costs, for the period January 2000 through December 2000 are included as Attachment I to this Petition. FPL is requesting that the Commission approve total recoverable capacity payments in the amount of \$375,954,541. This amount reflects a final overrecovery of \$5,204,837 for the April 1998 through December 1998 period plus the estimated/actual overrecovery of \$79,064,052 for the January 1999 through December 1999 period.

5. FPL is requesting approval of the inclusion in the estimated/actual costs, the recovery of approximately \$5 million for fuel and \$13 million for capacity costs related to past energy and capacity purchased by FPL from the Cedar Bay cogeneration facility. These amounts are adjustments to the amounts FPL originally paid to Cedar Bay. The adjustments were determined by

a Court interpretation of FPL's contract with Bay. The amounts include interest on the difference between the price FPL paid originally and the price based on the Court's decision.

6. The GPIF targets for the period January 2000 through December 2000 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 January 2000 through December 2000, will be \$69.78. The 1,000 kWh residential bill includes a base rate charge of \$43.26, a fuel recovery charge of \$18.99, a conservation charge of \$1.89, a capacity cost recovery charge of \$4.77, an environmental cost recovery charge of \$.16, and Gross Receipt Tax of \$.71.

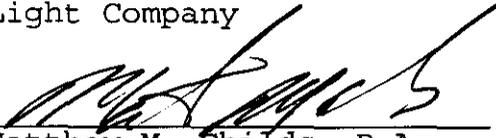
WHEREFORE, FPL respectfully requests this Commission to approve the fuel and capacity cost recovery charges for the period January 2000 through December 2000, and the GPIF targets for the period January 2000 through December 2000 requested herein for its billing period effective starting with scheduled meter readings to be read on or after Cycle Day 3, and to continue these charges until modified by subsequent order of this Commission. FPL also requests the Commission to approve \$11,367,066 as FPL's GPIF reward

for the period ending December 1998 and to include this amount in the calculation of the fuel factor for the period beginning January 2000.

DATED this 8<sup>th</sup> of October 1999.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP  
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Attorneys for Florida Power  
& Light Company

By:   
Matthew M. Childs, P.A.

**FLORIDA POWER & LIGHT COMPANY  
CALCULATION OF CAPACITY PAYMENT RECOVERY FACTOR  
JANUARY 2000 THROUGH DECEMBER 2000**

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	53.48490%	58.46885%	\$15,467,609	\$202,907,365	\$218,374,974	45,775,979,675	-	-	-	0.00477
GS1	6.17530%	6.47049%	\$1,785,871	\$22,454,864	\$24,240,735	5,285,237,026	-	-	-	0.00459
GSD1	22.64754%	20.33083%	\$6,549,573	\$70,555,420	\$77,104,993	19,385,037,162	51.06280%	43,301,370	1.78	-
OS2	0.02558%	0.01183%	\$7,398	\$41,039	\$48,437	22,436,583	-	-	-	0.00218
GSLD1/CS1	9.48691%	8.52028%	\$2,743,575	\$29,568,362	\$32,311,937	8,130,743,641	61.43831%	18,128,762	1.78	-
GSLD2/CS2	1.53501%	1.26561%	\$443,918	\$4,392,103	\$4,836,021	1,321,076,743	65.82912%	2,749,078	1.78	-
GSLD3/CS3	0.78699%	0.62832%	\$227,593	\$2,180,477	\$2,408,070	704,723,311	75.06733%	1,266,011	1.87	-
ISST1D	0.00173%	0.00168%	\$500	\$5,836	\$6,336	1,481,171	23.77304%	8,535	**	-
SST1T	0.11198%	0.06654%	\$32,385	\$230,908	\$263,293	100,278,926	12.82349%	1,071,225	**	-
SST1D	0.06241%	0.05668%	\$18,050	\$196,619	\$214,669	54,386,732	61.27250%	121,592	**	-
CILC D/CILC G	3.59260%	2.83172%	\$1,038,968	\$9,827,042	\$10,866,008	3,096,416,714	71.43440%	5,937,849	1.83	-
CILC T	1.37729%	0.98228%	\$398,306	\$3,408,869	\$3,807,175	1,233,324,260	81.15650%	2,081,762	1.83	-
MET	0.09321%	0.09819%	\$26,955	\$340,737	\$367,692	81,742,715	58.96337%	189,908	1.94	-
OL1/SL1/PL1	0.52499%	0.20023%	\$151,824	\$694,857	\$846,681	449,319,366	-	-	-	0.00188
SL2	0.09356%	0.06641%	\$27,058	\$230,463	\$257,519	80,070,974	-	-	-	0.00322
<b>TOTAL</b>			<b>\$28,919,579</b>	<b>\$347,034,962</b>	<b>\$375,954,541</b>	<b>85,722,255,000</b>		<b>74,876,092</b>		

**CAPACITY RECOVERY FACTORS FOR STANDBY RATES**

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 Page 2, Col(8)
- (2) Obtained from Page 2, Col(9)
- (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 January 2000 through December 2000
- (7) (kWh sales / 8760 hours)/(avg customer NCP)(8760 hours)
- (8) Col (8) / ((7) \*730) For GSD-1, only 83.265% of KW are billed due to 10 KW exemption
- (9) Col (5) / ( 8)
- (10) Col (5) / (8)

Totals may not add due to rounding.

<b>CAPACITY RECOVERY FACTOR</b>		
	RDC	SDD
	** (\$/kw)	** (\$/kw)
ISST1 (D)	\$0.23	\$0.11
SST1 (T)	\$0.22	\$0.10
SST1 (D)	\$0.23	\$0.11

**CERTIFICATE OF SERVICE**  
**DOCKET NO. 990001-EI**

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Petition for Approval of Fuel Cost Recovery Factors, Capacity Cost Recovery Factors and GPIF Targets and Rewards and the Testimony and Exhibits of R. Silva, K.M. Dubin and R.L. Wade have been furnished by Hand Delivery,\* or U.S. Mail this 8th day of October, 1999, to the following:

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