

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause and generating performance incentive factor.

DOCKET NO. 000001-EI

FILED: OCTOBER 26, 2000

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-00-0531-PCO-EI, issued March 15, 2000, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff has no witnesses.

b. All Known Exhibits

Staff will seek to have the following item identified as an exhibit at hearing:

- 1. Staff's September 20, 2000, memorandum to the parties concerning implementation of the incentive mechanism approved by the Commission in Order No. PSC-00-1744-PAA-EI.

Staff anticipates that it may seek to have portions of the following discovery responses identified as exhibits at hearing. Staff will make this determination after the responses have been received and reviewed.

- 2. Responses to Staff's First Set of Interrogatories to Florida Power & Light Company (Nos. 1-15).
- 3. Responses to Staff's First Request for Production of Documents to Florida Power & Light Company (Nos. 1-2).
- 4. Responses to Staff's First Set of Interrogatories to Florida Power Corporation (Nos. 1-11).
- 5. Responses to Staff's First Request for Production of Documents to Florida Power Corporation (Nos. 1-3).
- 6. Responses to Staff's First Set of Interrogatories to Tampa Electric Company (Nos. 1-18).

APP _____
CAF _____
CMP _____
COM 3 _____
CTR _____
ECR _____
LEG _____
OPC _____
PAI _____
RGO _____
SEC I _____
SER _____
OTH _____

DOCUMENT NUMBER-DATE

13740 OCT 26 8

FPSC-RECORDS/REPORTING

7. Responses to Staff's First Request for Production of Documents to Tampa Electric Company (Nos. 1-3).
8. Responses to Staff's First Set of Interrogatories to Gulf Power Company (Nos. 1-11).
9. Responses to Staff's First Request for Production of Documents to Gulf Power Company (Nos. 1-2).

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 1: What are the appropriate final fuel adjustment true-up amounts for the period January, 1999 through December, 1999?

POSITION:

FPC: \$6,442,734 overrecovery
FPL: No position pending receipt and review of outstanding discovery.
FPUC-Fernandina Beach: \$302,631 overrecovery
FPUC-Marianna: \$43,609 overrecovery
GULF: \$4,015,661 overrecovery
TECO: \$8,662,661 underrecovery

ISSUE 2: What are the appropriate estimated/actual fuel adjustment true-up amounts for the period January, 2000 through December, 2000?

POSITION:

FPC: \$61,660,541 underrecovery
FPL: No position pending receipt and review of outstanding discovery.
FPUC-Fernandina Beach: \$314,792 overrecovery
FPUC-Marianna: \$104,942 overrecovery
GULF: \$8,668,391 underrecovery
TECO: \$34,058,660 underrecovery

ISSUE 3: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January, 2001 to December, 2001?

POSITION:

FPC: \$55,217,807 underrecovery. If the Commission approves staff's position in Issue 12D, Florida Power should collect \$27,608,904 (50 percent of \$55,217,807 underrecovery) during calendar year 2001.

FPL: No position pending receipt and review of outstanding discovery

FPUC-Fernandina Beach: \$617,423 overrecovery to be refunded

FPUC-Marianna: \$148,551 overrecovery to be refunded

GULF: \$4,652,730 underrecovery to be collected

TECO: \$42,721,321 underrecovery to be collected

ISSUE 4: What are the appropriate levelized fuel cost recovery factors for the period January, 2001 to December, 2001?

POSITION:

FPC: 2.521 cents per kWh

FPL: No position pending receipt and review of outstanding discovery and evidence adduced at hearing.

FPUC-Marianna: 2.204 cents per kWh.

FPUC-Fernandina Beach: 1.875 cents per kWh.

GULF: 1.820 cents per kWh.

TECO: 2.500 cents per kWh.

ISSUE 5: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

POSITION: The new factors should be effective beginning with the first billing cycle for January, 2001, and thereafter through the last billing cycle for December, 2001. The first billing cycle may start before January 1, 2001, and the last billing cycle may end after December 31, 2001, so long as each customer is billed for twelve months regardless of when the factors became effective.

ISSUE 6: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/ delivery voltage level class?

POSITION:

FPC:		Delivery	Line Loss
	<u>Group</u>	<u>Voltage Level</u>	<u>Multiplier</u>
	A.	Transmission	0.9800
	B.	Distribution Primary	0.9900
	C.	Distribution Secondary	1.0000
	D.	Lighting Service	1.0000

FPL: See Issue 7.

FPUC: Fernandina Beach
All Rate Schedules 1.0000

Marianna
All Rate Schedules 1.0000

GULF: See table below:

Group	Rate Schedules*	Line Loss Multipliers
A	RS, GS, GSD, GSDT, SBS, OSIII, OSIV	1.01228
B	LP, LPT, SBS	0.98106
C	PX, PXT, SBS, RTP	0.96230
D	OSI, OSII	1.01228

*The multiplier applicable to customers taking service under Rate Schedule SBS is determined as follows: customers with a Contract Demand in the range of 100 to 499 KW will use the recovery factor applicable to Rate Schedule GSD; customers with a Contract Demand in the range of 500 to 7,499 KW will use the recovery factor applicable to Rate Schedule LP; and customers with a Contract Demand over 7,499 KW will use the recovery factor applicable to Rate Schedule PX.

TECO:	<u>Group</u>	<u>Multiplier</u>
	Group A	1.0035
	Group A1	n/a*
	Group B	1.0009
	Group C	0.9792

*Group A1 is based on Group A, 15% of On-Peak and 85% of Off-Peak.

ISSUE 7: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

POSITION:

FPC: No position pending receipt and review of outstanding discovery.
FPL: No position pending receipt and review of outstanding discovery.
FPUC-Fernandina Beach: No position pending receipt and review of outstanding discovery.
FPUC-Marianna: No position pending receipt and review of outstanding discovery.
GULF: No position pending receipt and review of outstanding discovery.
TECO: No position pending receipt and review of outstanding discovery.

ISSUE 8: What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period of January, 2000 to December, 2000?

POSITION:

FPC: 1.00072
FPL: 1.01597
FPUC-Fernandina Beach: 1.01597
FPUC-Marianna: 1.00072
GULF: 1.01597
TECO: 1.00072

ISSUE 9: How should the Commission's decision as set forth by Order No. PSC-00-1744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, concerning the application of incentives to wholesale energy sales, be implemented?

POSITION: The methodology set forth in Staff's September 20, 2000, memorandum to the parties is an appropriate method for implementing Order No. PSC-00-1744-PAA-EI. The memorandum is attached hereto as Attachment A.

ISSUE 10: What is the appropriate estimated benchmark level for calendar year 2001 for gains on non-separated wholesale energy sales eligible for a shareholder incentive as set forth by Order No. PSC-00-1744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, for each investor-owned electric utility?

POSITION: Based on the methodology set forth in Staff's September 20, 2000, memorandum to the parties, the appropriate estimated benchmark levels for calendar year 2001 are as follows:

FPC: \$11,061,127
FPL: \$47,377,541
GULF: \$830,000
TECO: \$4,648,490

COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

Florida Power & Light Company

ISSUE 11A: How should the Commission authorize Florida Power & Light to collect its estimated underrecovery balance projected for December 31, 2000?

POSITION: The Commission should authorize Florida Power & Light to collect 50 percent of its estimated underrecovery balance projected for December 31, 2000, during calendar year 2001. The Commission should defer for one year a decision about the timing of collecting the remaining underrecovery balance. This will provide both Florida Power & Light and the Commission additional flexibility in the event that fuel prices should rise above current levels.

ISSUE 11B: What is the appropriate regulatory treatment for the remainder of the estimated underrecovery balance projected for December 31, 2000, that would not be collected by Florida Power & Light through the fuel and purchased power cost recovery clause as of December 31, 2001?

POSITION: Florida Power & Light has proposed to classify the unrecovered portion of its estimated underrecovery balance projected for December 31, 2000, as a regulatory asset during 2001. This unrecovered portion should remain as a regulatory asset until the Commission determines the timing of its collection.

ISSUE 11C: What is the appropriate regulatory treatment for the \$222.5 million payment to settle litigation between FPL and Okeelanta Cogen and Osceola Cogen as approved by the Commission in Order No. PSC-00-1913-PAA-EI, in Docket No. 000982-EI, issued October 19, 2000?

POSITION: If Order No. PSC-00-1913-PAA-EI becomes final, this issue should be withdrawn. If only the portion of Order No. PSC-00-1913-PAA-EI addressing recovery of the settlement amount is protested, this issue

should be resolved, if necessary, in this docket. If the issue remains, Florida Power & Light should reflect the \$222.5 million payment to settle litigation as a base rate regulatory asset from January 1, 2001 to December 31, 2001. Further, Florida Power & Light should begin collection of the settlement payment on January 1, 2002 over a term of five years as follows: 79 percent through the capacity clause; and 21 percent through the fuel clause. Any unamortized amounts during the five-year term would earn interest at the commercial paper rate rather than the higher overall rate of return.

Florida Power Corporation

ISSUE 12A: Has Florida Power Corporation confirmed the validity of the methodology used to determine the equity component of Electric Fuels Corporation's capital structure for calendar year 1998?

POSITION: Yes. The annual audit of EFC's revenue requirements under a full utility-type regulatory treatment confirms the appropriateness of the "short-cut" methodology used to determine the equity component of EFC's capital structure.

ISSUE 12B: Has Florida Power Corporation properly calculated the market price true-up for coal purchases from Powell Mountain?

POSITION: Yes. The calculation has been made in accordance with the market pricing methodology approved by the Commission in Docket No. 860001-EI-G.

ISSUE 12C: Has Florida Power Corporation properly calculated the 1998 price for waterborne transportation services provided by Electric Fuels Corporation?

POSITION: Yes. The calculation has been made in accordance with the market pricing methodology approved by the Commission in Docket No. 930001-EI.

ISSUE 12D: How should the Commission authorize Florida Power Corporation to collect its estimated underrecovery balance projected for December 31, 2000?

POSITION: The Commission should authorize Florida Power Corporation to collect 50 percent of its estimated underrecovery balance projected for December 31, 2000, during calendar year 2001. The Commission should defer for one year a decision about the timing of collecting the remaining underrecovery balance. This will provide both Florida Power Corporation and the Commission additional flexibility in the event that fuel prices should rise above current levels.

ISSUE 12E: Should the Commission approve Florida Power Corporation's proposed regulatory treatment for its 50 megawatt (MW) wholesale power sale, commencing April 1, 2001?

POSITION: Yes. This 50 MW wholesale power sale is a firm sale of wholesale capacity and energy with a duration longer than one year. The Commission stated in Order No. 97-0262-FOF-EI, issued March 11, 1997, in Docket No. 970001-EI, that firm wholesale sales one year or longer should be separated on a system average basis. Consistent with Commission policy, Florida Power should separate the capital and O&M costs associated with this 50 MW from the retail rate base on a system average basis. However, because Florida Power will generate this 50 MW at a higher than system average fuel cost, Florida Power should credit the fuel clause an amount equal to the incremental fuel costs of making this 50 MW wholesale sale.

Tampa Electric Company

ISSUE 13A: What is the appropriate 1999 benchmark price for coal Tampa Electric Company purchased from its affiliate, Gatliff Coal Company?

POSITION: \$45.07/ton

ISSUE 13B: Has Tampa Electric Company adequately justified any costs associated with the purchase of coal from Gatliff Coal Company that exceed the 1999 benchmark price?

POSITION: Yes. Tampa Electric Company's actual costs are below the benchmark as calculated by both Staff and the company; therefore, this issue is moot.

ISSUE 13C: What is the appropriate 1999 waterborne coal transportation benchmark price for transportation services provided by affiliates of Tampa Electric Company?

POSITION: \$25.85/ton

ISSUE 13D: Has Tampa Electric Company adequately justified any costs associated with transportation services provided by affiliates of Tampa Electric Company that exceed the 1999 waterborne transportation benchmark price?

POSITION: Yes. Tampa Electric Company's actual costs are below the benchmark as calculated by both Staff and the company; therefore, this issue is moot.

ISSUE 13E: Should the Commission approve Tampa Electric's request to implement an experimental pilot program that offers optional seasonally-differentiated fuel factors for customers on interruptible rate schedules?

POSITION: No position pending receipt and review of outstanding discovery.

ISSUE 13F: If the Commission approves Tampa Electric's request to implement an experimental pilot program in Issue 13E, what are the appropriate seasonal fuel and purchased power cost recovery factors by rate schedule for January, 2001 through December, 2001?

POSITION: No position pending receipt and review of outstanding discovery.

ISSUE 13G: If the Commission approves Tampa Electric's request to implement an experimental pilot program in Issue 13E, what is the appropriate regulatory treatment of any revenue differential that may occur during the pilot program?

POSITION: No position pending receipt and review of outstanding discovery.

GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

ISSUE 14: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January, 1999 through December, 1999 for each investor-owned electric utility subject to the GPIF?

POSITION: See Attachment B.

ISSUE 15: What should the GPIF targets/ranges be for the period January, 2002 through December, 2002 for each investor-owned electric utility subject to the GPIF?

POSITION: See Attachment B.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 16: What are the appropriate final capacity cost recovery true-up amounts for the period January, 1999 through December, 1999?

POSITION:

FPC:	\$4,479,766 under-recovery.
FPL:	\$16,458,284 over-recovery.
GULF:	\$884,622 over-recovery.
TECO:	\$94,943 under-recovery.

ISSUE 17: What are the appropriate estimated capacity cost recovery true-up amounts for the period January, 2000 through December, 2000?

POSITION: FPC: \$4,336,561 over-recovery.
FPL: \$42,411,275 over-recovery.
GULF: \$331,059 under-recovery.
TECO: \$2,072,182 over-recovery.

ISSUE 18: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January, 2001 through December, 2001?

POSITION: FPC: \$143,205 under-recovery.
FPL: \$58,869,559 over-recovery.
GULF: \$553,563 over-recovery.
TECO: \$1,977,239 over-recovery.

ISSUE 19: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January, 2001 through December, 2001?

POSITION: No position pending receipt and review of outstanding discovery and resolution of Issue 20.

ISSUE 20: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January, 2001 through December, 2001?

POSITION: No position pending receipt and review of outstanding discovery.

ISSUE 21: What are the projected capacity cost recovery factors for the period January, 2001 through December, 2001?

POSITION: No position pending receipt and review of outstanding discovery.

e. Pending Motions

Staff has no pending motions.

f. Pending Confidentiality Claims or Requests

Tampa Electric Company's Request for Confidential Classification of certain portions of witness Rod Burkhardt's Exhibit RB-1 is pending.

g. Compliance with Order No. PSC-00-0531-PCO-EI

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 26th day of October, 2000.



WM. COCHRAN KEATING IV
Staff Counsel
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Gerald L. Gunter Building
Tallahassee, Florida 32399-0850
(850) 413-6199

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power
cost recovery clause and
generating performance incentive
factor.

DOCKET NO. 000001-EI

FILED: OCTOBER 26, 2000

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's
Prehearing Statement has been furnished to the following, by U.S.
Mail, this 26th day of October, 2000:

James Beasley, Esquire
Lee Willis, Esquire
Ausley Law Firm
P. O. Box 391
Tallahassee, FL 32302

Ms. Susan D. Ritenour
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

Fla. Industrial Power Users Group
c/o John McWhirter, Jr., Esquire
McWhirter, Reeves
P. O. Box 3350
Tampa, FL 33601-3350

Joseph McGlothlin, Esquire
Vicki Kaufman, Esquire
McWhirter Law Firm
117 S. Gadsden Street
Tallahassee, FL 32301

Mr. R. Wade Litchfield
Florida Power & Light Company
700 Universe Blvd.
Juno Beach, FL 33408

Norman Horton, Esquire
Messer Law Firm
P. O. Box 1876
Tallahassee, FL 32302-1876

Mr. James A. McGee, Esquire
Florida Power Corporation
P. O. Box 14042
St. Petersburg, FL 33733-3395

Stephen Burgess, Esquire
Office of Public Counsel
111 W. Madison St., #812
Tallahassee, FL 32399-1400

Florida Public Utilities Company
Mr. George Bachman
P. O. Box 3395
West Palm Beach, FL 33402-3395

Bill Walker
Florida Power & Light Co.
215 S. Monroe St., #810
Tallahassee, FL 32301-1859

CERTIFICATE OF SERVICE
DOCKET NO. 000001-EI
PAGE 2

Mr. John T. English
Florida Public Utilities Co.
P. O. Box 3395
West Palm Beach, FL 33402-3395

Ms. Angela Llewellyn
Tampa Electric Company
Regulatory Affairs
P. O. Box 111
Tampa, FL 33601-0111

Matthew M. Childs, Esquire
Steel Hector & Davis
215 S. Monroe Street, Suite 601
Tallahassee, Florida 32301-1804

Jeffrey Stone, Esquire
Russell Badders, Esquire
Beggs & Lane Law Firm
P. O. Box 12950
Pensacola, FL 32576-2950

Wm. Cochran Keating IV

WM. COCHRAN KEATING IV
Staff Counsel
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd.
Gerald L. Gunter Building
Tallahassee, Florida 32399-0850
(850) 413-6199

State of Florida



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: September 20, 2000
TO: All Parties of Record
FROM: Cochran Keating, Senior Attorney *JK*
Todd Bohrmann, Regulatory Analyst IV *WBH*
RE: 000001-EI - Fuel and purchased power cost recovery clause
and generating performance incentive factor.

Via Facsimile

This memorandum is to confirm and delineate the Commission Staff's proposed methodology, as presented at our September 12, 2000, meeting with the parties, to implement the Commission's recent decision in Docket No. 991779-EI concerning the appropriate application of incentives to wholesale power sales. As stated at the meeting, although the Commission has not yet issued its final order in this docket, Staff believes that implementation of the Commission's decision remains an open issue which should be resolved at this November's fuel hearing.

To implement the Commission's decision in Docket No. 991779-EI, Staff believes that the following issues are appropriate for resolution at this November's fuel hearing:

1. How should the Commission's decision in Docket No. 991779-EI, concerning the application of incentives to wholesale power sales, be implemented?
2. What is the appropriate estimated benchmark level for calendar year 2001 for gains on non-separated wholesale energy sales eligible for a shareholder incentive pursuant to the Commission's decision in Docket No. 991779-EI?

As discussed at the meeting, Staff proposes the following methodology to address the first issue:

1. In its Actual/Estimated True-Up filing and testimony, each utility shall include an estimated value of gains on eligible non-separated wholesale energy sales for the current calendar year (2000) based on actual and estimated data;

2. In its Projection filing, each utility shall include a forecasted value of gains on eligible non-separated wholesale energy sales for the next calendar year (2001);
3. Each utility shall compare its forecasted value of gains from eligible sales for the next calendar year (2001) to an estimated three-year moving average of such gains. This estimated three-year moving average, or estimated benchmark, will be based on actual gains from eligible sales for each of the previous two calendar years (1998 and 1999) and the estimated gains from eligible sales for the current calendar year (2000). This comparison will be one of numerous inputs that each utility will use to calculate its levelized fuel cost recovery factor for the next calendar year (2001);
4. In its April True-Up filing in the next calendar year (2001), each utility shall indicate its actual gains on eligible non-separated wholesale energy sales for the previous calendar year (2000). Each utility will then re-calculate its three-year moving average based on the actual gains from eligible sales for each of the previous three years (1998, 1999, and 2000) to establish an actual benchmark.
5. Each utility shall record its actual gains from eligible non-separated wholesale energy sales on its Schedule A-6 filed monthly with the Commission. When these actual gains are equal to or less than the utility's actual benchmark, the utility shall credit 100 percent of these gains to its ratepayers through its fuel and purchased power cost recovery clause (fuel clause). When these actual gains are greater than the utility's actual benchmark, the utility shall credit 80 percent of the gains above the benchmark to its ratepayers through its fuel clause. The utility shall credit the remaining 20 percent to its shareholders;
6. Each utility shall reflect any differences between its actual and forecasted gains from eligible sales through its monthly true-up calculations in Schedule A-2;

7. The first estimated benchmark for gains on eligible non-separated wholesale energy sales shall be established at the November 2000 fuel hearing for purposes of calculating a levelized fuel cost recovery factor for 2001. The shareholder incentive shall apply to actual gains on eligible sales made over the actual benchmark for 2001. On a going-forward basis, the difference between actual and forecasted gains on eligible sales shall be "trued-up" at each fuel hearing.

For illustrative purposes, this methodology, using hypothetical data, is presented in table form in the attached document.

If have any questions or comments concerning Staff's proposal, please contact Todd Bohrmann at (850) 413-6445 or Cochran Keating at (850) 413-6193.

WCK

Attachment

cc: Division of Regulatory Oversight
Division of Economic Regulation

i: 000001m6.wck

Proposed Shareholder Incentive Implementation Methodology
Hypothetical Example

Part I	A	1998 Actual Gains *	\$100.00	
Nov '00	B	1999 Actual Gains *	\$110.00	
	C	2000 Actual/Estimated Gains	\$120.00	
	D	2001 Forecasted Benchmark	\$110.00	(A+B+C) / 3
	E	2001 Forecasted Gains *	\$130.00	
	F	2001 Forecasted Ratepayer Credit	\$126.00	D + ((E-D) * .8)
Part II	G	2000 Actual Gains *	\$75.00	
Apr '01	H	2001 Actual Benchmark	\$95.00	(A+B+G) / 3
Part III	I	2001 Actual/Estimated Gains *	\$128.00	
Nov '01	J	2001 Actual/Estimated True-Up	(\$4.60)	L-F
	K	2002 Forecasted Benchmark	\$104.33	(B+G+I) / 3
	L	2001 Estimated Ratepayer Credit	\$121.40	H + ((I-H) * .8)
Part IV	M	2001 Actual Gains *	\$140.00	
Apr '02	N	2001 Final True-up	\$9.60	O-L
	O	2001 Actual Ratepayer Credit	\$131.00	H + ((M-H) * .8)
	P	2002 Actual Benchmark	\$108.33	(B+G+M) / 3

Note: Items marked with an asterisk (*) are values that would be found in a utility filing, but are hypothetical for this example.

GPIF REWARDS/PENALTIES

January 1999 to December 1999

<u>Utility</u>	<u>Amount</u>	<u>Reward/Penalty</u>
Florida Power Corporation	No position	
Florida Power and Light Company	\$6,973,751	Reward
Gulf Power Company	\$183,842	Reward
Tampa Electric Company	No position	

<u>Utility/ Plant/Unit</u>	<u>EA</u>	<u>Heat Rate</u>	
		Adjusted	Adjusted
	<u>Target</u>	<u>Actual</u>	<u>Actual</u>
<u>FPC</u>			
Anclote 1	83.8	80.1	10,006
Anclote 2	94.9	92.1	9,912
Crystal River 1	76.2	*	9,841
Crystal River 2	85.2	90.9	9,764
Crystal River 3	80.4	84.8	10,404
Crystal River 4	90.2	94.1	9,395
Crystal River 5	83.8	82.1	9,330
<u>FPL</u>			
Cape Canaveral 2	93.6	94.8	9,602
Fort Lauderdale 4 Fort	93.2	95.5	7,290
Lauderdale 5	93.2	95.5	7,289
Fort Myers 2	90.0	86.0	9,188
Manatee 2	88.8	90.9	10,138
Martin 3	92.3	94.3	7,016
Martin 4	93.6	85.4	6,926
Port Everglades 3	80.4	77.7	9,786
Port Everglades 4	96.0	97.4	9,836
Riviera 3	94.0	92.3	9,770
Sanford 4	91.0	93.7	9,737
Sanford 5	89.9	92.0	9,939
Scherer 4	86.6	88.8	10,120
St. Lucie 1	83.6	86.4	10,879
St. Lucie 2	93.6	96.6	10,895
Turkey Point 3	93.6	99.1	11,047
Turkey Point 4	84.3	90.1	11,166
<u>Gulf</u>			
Crist 6	88.4	90.1	10,624
Crist 7	82.5	85.7	10,232
Smith 1	75.9	73.3	10,190
Smith 2	88.8	90.9	10,263
Daniel 1	81.0	78.1	10,455
Daniel 2	74.7	71.0	10,264

• No Position

GPIF REWARDS/PENALTIES
January 1999 to December 1999

<u>Utility/ Plant/Unit</u>	<u>EAF</u>		<u>Heat Rate</u>	
	<u>Target</u>	<u>Adjusted Actual</u>	<u>Target</u>	<u>Adjusted Actual</u>
<u>TECO</u>				
Big Bend 1	79.8	77.4	10,230	10,083
Big Bend 2	82.2	81.1	10,247	9,983
Big Bend 3	72.5	68.5	9,992	9,826
Big Bend 4	85.0	*	9,938	10,014
Gannon 5	73.6	*	10,150	10,670
Gannon 6	71.5	*	10,401	10,836

* No Position

GPIF TARGETS
January 2001 to December 2001

<u>Utility/ Plant/Unit</u>	<u>EAJ</u>			<u>Staff</u>	<u>Heat Rate</u>	
	<u>EAJ</u>	<u>POF</u>	<u>EUOF</u>		<u>Company</u>	<u>Staff</u>
<u>FPC</u>						
Anclote 1	78.8	15.6	5.6	Agree	10,091	Agree
Anclote 2	92.8	0.0	7.2	Agree	10,083	Agree
Bartow 3	93.9	0.0	6.1	Agree	10,105	Agree
Crystal River 1	76.4	13.4	10.2	Agree	9,831	Agree
Crystal River 2	84.2	0.0	15.8	Agree	9,788	Agree
Crystal River 3	85.5	11.5	3.0	Agree	10,247	Agree
Crystal River 4	95.4	0.0	4.6	Agree	9,389	Agree
Crystal River 5	87.6	9.6	2.8	Agree	9,360	Agree
Tiger Bay	78.7	15.3	6.0	Agree	7,190	Agree
<u>FPL</u>						
Cape Canaveral 1	84.5	7.9	7.6	Agree	9,581	Agree
Cape Canaveral 2	94.5	0.0	5.5	Agree	9,721	Agree
Ft Lauderdale 4	93.2	3.0	3.8	Agree	7,339	Agree
Ft Lauderdale 5	93.2	3.0	3.8	Agree	7,336	Agree
Manatee 1	78.3	14.2	7.5	Agree	10,066	Agree
Manatee 2	90.1	0.8	9.1	Agree	10,216	Agree
Martin 1	87.7	4.1	8.4	Agree	9,734	Agree
Martin 2	90.9	0.0	9.1	Agree	9,876	Agree
Martin 3	92.5	3.4	4.1	Agree	6,874	Agree
Martin 4	93.1	1.1	5.9	Agree	6,797	Agree
Port Everglades 3	84.5	10.4	5.3	Agree	9,447	Agree
Port Everglades 4	93.7	0.0	6.3	Agree	9,632	Agree
Scherer 4	87.9	8.5	3.6	Agree	10,043	Agree
St Lucie 1	85.7	8.5	5.8	Agree	10,817	Agree
St Lucie 2	85.7	8.5	5.8	Agree	10,821	Agree
Turkey Point 1	92.4	0.0	7.6	Agree	9,319	Agree
Turkey Point 3	86.0	8.5	5.8	Agree	11,121	Agree
Turkey Point 4	93.6	0.0	6.4	Agree	11,095	Agree
<u>Gulf</u>						
Crist 6	78.1	17.8	4.1	Agree	10,502	Agree
Crist 7	76.4	14.0	9.6	Agree	10,184	Agree
Smith 1	88.7	8.8	2.5	Agree	10,113	Agree
Smith 2	87.5	8.8	3.7	Agree	10,058	Agree
Daniel 1	74.5	16.4	9.1	Agree	10,075	Agree
Daniel 2	75.2	16.2	8.6	Agree	9,872	Agree

GPIF TARGETS
January 2001 to December 2001

<u>Utility/ Plant/Unit</u>	<u>EAF</u>			<u>Heat Rate</u>		
<u>TECO</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>			
Big Bend 1	69.9	13.4	16.7	Agree	10,118	Agree
Big Bend 2	77.9	5.8	16.3	Agree	9,895	Agree
Big Bend 3	71.8	5.8	22.4	Agree	9,932	Agree
Big Bend 4	83.9	3.8	12.3	Agree	9,944	Agree
Gannon 5	68.4	7.7	23.9	Agree	10,762	Agree
Gannon 6	67.4	7.7	24.9	Agree	10,596	Agree
Polk 1	78.5	7.7	13.8	Agree	10,146	Agree