

**BEFORE THE FLORIDA  
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 010001-EI  
FLORIDA POWER & LIGHT COMPANY**

**APRIL 2, 2001**

**IN RE: LEVELIZED COST RECOVERY  
AND CAPACITY COST RECOVERY  
FINAL TRUE-UP**

**JANUARY 2000 THROUGH DECEMBER 2000**

**TESTIMONY & EXHIBITS OF:  
K. M. DUBIN**

DOCUMENT NUMBER-DATE

04052 APR-20

FPSC-RECORDS/REPORTING

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
**FLORIDA POWER & LIGHT COMPANY**  
**TESTIMONY OF KOREL M. DUBIN**  
**DOCKET NO. 010001-EI**  
**April 2, 2001**

**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 the Manager of Regulatory Issues in the Regulatory Affairs 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 January 2000 through December 2000. The Net True-Up for the FCR is an underrecovery, including interest, of \$76,807,071. The FCR underrecovery of \$76,807,071 has already been reflected in the midcourse correction effective April 2, 2001

1 approved by the Commission on March 13, 2001. The Net True-Up for the  
2 CCR is an underrecovery, including interest, of \$2,850,420. I am requesting  
3 Commission approval to include the CCR true-up amount of \$2,850,420 in  
4 the calculation of the CCR factors for the period January 2002 through  
5 December 2002.

6

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

9 A. Yes, I have. It consists of two appendices. Appendix I contains the FCR  
10 related schedules and Appendix II contains the CCR related schedules. FCR  
11 Schedules A-1 through A-9 for the January 2000 through December 2000  
12 period have been filed monthly with the Commission and served on all  
13 parties. These schedules are incorporated herein by reference.

14

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

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

22

23

24

1 **FUEL COST RECOVERY CLAUSE (FCR)**

2

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

4 A. Appendix I, page 3, entitled "Summary of Net True-Up", shows the calculation  
5 of the Net True-Up for the period January 2000 through December 2000, an  
6 underrecovery of \$76,807,071 which has already been reflected in the  
7 midcourse correction effective April 2, 2001 as approved by the Commission  
8 on March 13, 2001. The calculation of the true-up amount for the period  
9 follows the procedures established by this Commission as set forth on  
10 Commission Schedule A-2 "Calculation of True-Up and Interest Provision".

11

12 The actual End-of-Period underrecovery for the period January 2000 through  
13 December 2000 of \$594,812,447 is shown on line 1. The estimated/actual  
14 End-of-Period overrecovery for the same period of \$518,005,376 is shown on  
15 line 2. (One half of the \$518,005,376 was included in the calculation of the  
16 FCR factor for the period January 2001 through December 2001 and the  
17 remaining half is to be included in the calculation of the FCR factor for the  
18 period January 2002 through December 2002. Line 1 less line 2 results in the  
19 Net True-Up for the period January 2000 through December 200 shown on  
20 line 3, an underrecovery of \$76,807,071.

21

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

24 A. Yes. Appendix I, pages 4 through 5, entitled "Calculation of Final True-up

1 Amount", shows the calculation of the FCR End-of period true-up for the  
2 period January 2000 through December 2000.

3

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

6 A. Yes. Appendix I, page 6, entitled "Calculation of Final True-up Variances",  
7 shows the actual fuel costs and revenues compared to the estimated/actuals  
8 for the period January 2000 through December 2000.

9

10 **Q. Please describe the variance.**

11 A. The final underrecovery of \$76,807,071 for the period January 2000 through  
12 December 2000 is primarily due to an approximate \$77.0 million or 3.4%  
13 increase in Adjusted Total Fuel Costs & Net Power Transactions (see  
14 Appendix I, page 6, Line A7) offset by an approximate \$1.4 million variance in  
15 Jurisdictional Fuel Revenues (See Appendix I, page 6, Line D3). The balance  
16 is \$1.2 million in interest (See Appendix I, page 6, Line D8).

17

18 The \$77 million variance in Jurisdictional Fuel Costs and Net Power  
19 Transactions is primarily due to a \$109 million or 5.4% increase in Fuel Cost  
20 of System Net Generation (Appendix I, page 6, Line A1a), plus a \$9.8 million  
21 or 17.3% increase in Energy Cost of Economy Purchases (Appendix I, page  
22 6, Line A4) plus a \$5.9 million or 4.0% increase in Purchased Power  
23 (Appendix I, page 6, Line A3a). These amounts are offset by a \$24.5 million  
24 increase in Fuel Cost of Power Sold (Appendix I, page 6, Line A2a), a \$16.9

1 million increase in projected Revenues from Off-System Sales (Appendix I,  
2 page 6, Line A2b), and \$6.2 million in Adjustments to Fuel Cost (Appendix I,  
3 page 6, Lines 6a-6e).

4  
5 **Q. How is Real Time Pricing (RTP) reflected in the calculation of the Net**  
6 **True-up Amount?**

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

13  
14 **Q. What is FPL's threshold amount to be used to calculate incentives on off-**  
15 **system sales in 2001?**

16 A. \$52,953,147 is the threshold amount based on the average of the last three  
17 years of actual gains on off-system sales. Gains on sales in 2001 are to be  
18 measured against this three-year average threshold. In testimony filed on  
19 September 21, 2000 in this docket, FPL provided an estimated/ actual threshold  
20 amount of \$47,377,5412. This estimated/actual amount consisted of actual gains  
21 for 1998, 1999 and January through July 2000, and estimates for August through  
22 December 2000. The purpose of this testimony is to update the estimates for  
23 August through December 2000 with actual data. The actual gains for the entire  
24 year 2000 is \$37,400,076. The actual gains for 1998 through 2000 are provided

1 below:  
2 1998 \$62,276,203  
3 1999 \$59,183,161  
4 2000 \$37,400,076  
5 Three-year average threshold \$52,953,147

6

7

### CAPACITY COST RECOVERY CLAUSE (CCR)

8

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

10 A. Appendix II, page 3, entitled "Summary of Net True-Up Amount" shows the  
11 calculation of the Net True-Up for the period January 2000 through December  
12 2000, an underrecovery of \$2,850,420, which I am requesting to be included  
13 in the calculation of the CCR factors for the January 2002 through December  
14 2002 period.

15

16 The actual End-of-Period overrecovery for the period January 2000 through  
17 December 2000 of \$39,560,855 (shown on line 1) less the estimated/actual  
18 End-of-Period overrecovery for the same period of \$42,411,275, (shown on  
19 line 2) results in the Net True-Up underrecovery for the period January 2000  
20 through December 2000 (shown on line 3) of \$2,850,420.

21

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

24 A. Yes. Appendix II, pages 4 through 5, entitled "Calculation of Final True-up

1 Amount", shows the calculation of the CCR End-of period true-up for the  
2 period January 2000 through December 2000. The End of-Period true-up  
3 shown on page 5, line 17 plus line 18 is an overrecovery of \$39,560,855.  
4

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

7 A. Yes it is. The calculation of the true-up amount follows the procedures  
8 established by this Commission as set forth on Commission Schedule A-2  
9 "Calculation of True-Up and Interest Provision" for the Fuel Cost Recovery  
10 Clause.  
11

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

14 A. Yes. Appendix II, page 6, entitled "Calculation of Final True-up Variances",  
15 shows the actual capacity charges and applicable revenues compared to the  
16 estimated/actuals for the period January 2000 through December 2000.  
17

18 **Q. Please describe the variance.**

19 A. As shown on line 7, actual net capacity charges on a Total Company basis  
20 were approximately \$11 million lower than the estimated/actual projection.  
21 This variance was primarily due to approximately \$3 million lower than  
22 expected Payments to Non-Cogenerators caused by lower payments to  
23 Southern Company due to a decrease in capacity rates for UPS purchases.  
24 Additionally, as a result of reduced capacity factors, payments to



1 Cogenerators (Cedar Bay, Florida Crushed Stone, and Broward North) were  
2 approximately \$6 million lower than projected. And, Revenues from Capacity  
3 Sales were approximately \$2 million higher due to higher than projected  
4 sales. As shown on line 12, actual Capacity Cost Recovery revenues, net of  
5 revenue taxes, were approximately \$13.7 million lower than the  
6 estimated/actual projection. The approximate \$11 million cost variance offset  
7 by the approximate \$13.7 million revenue variance results in a \$2.7 million  
8 underrecovery as shown on line 15. The balance is interest of \$143,412 as  
9 shown on line 16.

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

11 A. Yes, it does.

**APPENDIX I**  
**FUEL COST RECOVERY**  
**TRUE UP CALCULATION**

**KMD - 1**  
**DOCKET NO. 010001 - EI**  
**FPL WITNESS: K. M. DUBIN**  
**April 2, 2001**

**APPENDIX I**  
**FUEL COST RECOVERY**  
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<b>6</b>	<b>CALCULATION OF FINAL TRUE UP VARIANCES</b>

**FLORIDA POWER & LIGHT COMPANY  
FUEL COST RECOVERY CLAUSE  
SUMMARY OF NET TRUE-UP FOR THE  
PERIOD JANUARY THROUGH DECEMBER 2000**

1	End of Period True-up for the period January through December 2000 (from page 6, lines D7 & D8)	\$ (594,812.447)
2	Less - Estimated/Actual True-up for the same period *	(518,005,376)
3	Net True-up for the period January through December 1999	<u>\$ (76,807.071)</u>

( ) Reflects Underrecovery

\* Approved in FPSC Order No. PSC-00-2385-FOF-EI dated December 12, 2000.

FOR THE PERIOD JANUARY THROUGH DECEMBER 2000

CALCULATION OF FINAL TRUE UP AMOUNT

LINE NO		(1)	(2)	(3)	(4)	(5)	(6)
		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
<b>A Fuel Costs &amp; Net Power Transactions</b>							
1	a Fuel Cost of System Net Generation	\$ 96,801,931	\$ 89,681,397	\$ 115,028,695	\$ 125,719,236	\$ 176,849,754	\$ 225,361,627
	b Nuclear Fuel Disposal Costs	2,036,555	1,944,914	1,602,326	1,866,226	1,661,490	2,034,696
	c Coal Cars Depreciation & Return	365,614	363,669	361,724	359,780	348,149	334,538
	d Gas Pipelines Depreciation & Return	232,060	230,605	229,149	227,694	226,238	224,783
	e DOE D&D Fund Payment	0	0	0	0	0	0
2	a Fuel Cost of Power Sold	(6,982,435)	(5,004,820)	(2,742,110)	(3,361,014)	(6,434,607)	(7,951,877)
	b Revenues from Off-System Sales	(2,032,199)	(1,088,469)	(98,998)	(437,291)	(3,754,203)	(2,079,107)
3	a Fuel Cost of Purchased Power	9,940,690	10,374,712	11,077,393	14,831,564	14,023,674	12,679,928
	b Energy Payments to Qualifying Facilities	9,460,941	10,963,890	11,294,122	11,672,716	9,682,160	7,388,362
4	Energy Cost of Economy Purchases	2,108,781	4,097,320	5,607,152	5,167,404	4,631,898	6,452,372
5	Total Fuel Costs & Net Power Transactions	\$ 111,931,938	\$ 111,563,218	\$ 142,359,453	\$ 156,046,315	\$ 197,234,753	\$ 244,445,322
<b>6 Adjustments to Fuel Cost:</b>							
	a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	(1,506,387)	(1,541,736)	(1,556,068)	(2,075,885)	(2,183,063)	(2,605,378)
	b Reactive and Voltage Control Fuel Revenue	(78,230)	(150,593)	(137,195)	(34,543)	(106,948)	(77,375)
	c Inventory Adjustments	(119,002)	(110,259)	(283,106)	(89,610)	(397,453)	303,295
	d Non Recoverable Oil/Tank Bottoms	79,085	44,306	13,455	231,797	93,408	0
	e Modifications to Burn Low Gravity Oil	1,154	21	21,046	0	0	0
7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 110,308,558	\$ 109,804,957	\$ 140,417,585	\$ 154,078,074	\$ 194,640,697	\$ 242,065,864
<b>B kWh Sales</b>							
1	Jurisdictional kWh Sales (RTP @ CBL)	6,532,531,363	6,336,618,395	6,196,013,924	6,345,577,574	6,738,781,471	8,226,383,453
2	Sale for Resale (\$Excluding FKEC & CKW)	528,971	729,525	422,718	676,003	584,008	654,258
3	Sub-Total Sales (\$Excluding FKEC & CKW)	6,533,060,334	6,337,347,920	6,196,436,642	6,346,253,577	6,739,365,479	8,227,037,711
<b>Jurisdictional % of Total kWh Sales (Lines B1/B3)</b>							
		99.99190 %	99.98849 %	99.99318 %	99.98935 %	99.99133 %	99.99205 %
<b>C True-up Calculation</b>							
Jurisdictional Fuel Revenues (Incl RTP @ CBL) Net of Revenue Taxes							
1		\$ 120,687,586	\$ 116,379,027	\$ 113,813,705	\$ 116,555,386	\$ 123,906,914	\$ 164,957,826
<b>2 Fuel Adjustment Revenues Not Applicable to Period:</b>							
	a 1 Prior Period True-up Provision	3,531,465	3,531,465	3,531,465	3,531,465	3,531,465	3,531,465
	a 2 Prior Period True-up Provision	0	0	0	0	0	(7,412,024)
	b GPIF, Net of Revenue Taxes (b)	(932,365)	(932,365)	(932,365)	(932,365)	(932,365)	(932,365)
	c Oil Backout Revenues, Net of revenue Taxes	43	2	(3)	6	43	214
3	Jurisdictional Fuel Revenues Applicable to Period	\$ 123,286,688	\$ 118,978,170	\$ 116,412,802	\$ 119,154,492	\$ 126,506,057	\$ 160,145,117
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 110,308,558	\$ 109,804,957	\$ 140,417,585	\$ 154,078,074	\$ 194,640,697	\$ 242,065,864
	b Nuclear Fuel Expense - 100% Retail	0	0	0	0	0	0
	c RTP Incremental Fuel -100% Retail	70,392	43,654	83,536	58,870	117,510	97,742
	d D&D Fund Payments -100% Retail	0	0	0	0	0	0
	e Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	110,238,166	109,761,303	140,334,048	154,019,204	194,523,187	241,968,122
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	-99.99190 %	99.98849 %	99.99318 %	99.98935 %	99.99133 %	99.99205 %
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00064) +(Lines C4b,c,d)	\$ 110,370,175	\$ 109,862,563	\$ 140,497,821	\$ 154,160,233	\$ 194,748,315	\$ 242,201,475
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ 12,916,513	\$ 9,115,607	\$ (24,085,019)	\$ (35,005,738)	\$ (68,242,258)	\$ (82,056,358)
8	Interest Provision for the Month (Line D10)	(234,109)	(203,171)	(263,389)	(442,000)	(755,399)	(1,194,043)
<b>9 True-up &amp; Interest Provision Beg of Period-Over/(Under) Recovery</b>							
	Deferred True-up Beginning of Period - Over/(Under) Recovery	42,377,583	51,528,521	56,909,492	29,029,619	(9,949,584)	(82,478,707)
		(96,356,314)	(96,356,314)	(96,356,314)	(96,356,314)	(96,356,314)	(96,356,314)
10	a Prior Period True-up Collected/(Refunded) This Period	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)
	b Prior Period True-up Collected/(Refunded) This Period						7,412,024
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	\$ (44,827,793)	\$ (39,446,822)	\$ (67,326,696)	\$ (106,305,898)	\$ (178,835,021)	\$ (258,204,863)

NOTES

- (a) Per Order No. PSC-00-1081-PCO-EI, FPL was authorized to collect 60% of the \$231 million expense increase anticipated in the 2000 Midcourse Correction.
- (b) Generation Performance Incentive Factor is ((\$11,367,066/12) x 98.4280%) - See Order No. PSC-99-2512-FOF-EI.
- (c) Jurisdictional Loss Multiplier per Schedule E2 revised December 15, 1999.

FOR THE PERIOD JANUARY THROUGH DECEMBER 2000								
CALCULATION OF FINAL TRUE UP AMOUNT								
LINE NO		(7)	(8)	(9)	(10)	(11)	(12)	(13)
		JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL PERIOD
<b>Fuel Costs &amp; Net Power Transactions</b>								
1	a Fuel Cost of System Net Generation	\$ 241,544,424	\$ 248,469,620	\$ 263,516,625	\$ 212,033,477	\$ 152,645,910	\$ 171,601,808	\$ 2,119,254,505
	b Nuclear Fuel Disposal Costs	1,996,306	2,098,706	1,960,807	1,593,707	2,086,551	2,032,265	22,914,548
	c Coal Cars Depreciation & Return	332,805	331,073	329,340	327,607	325,875	324,142	4,104,516
	d Gas Pipelines Depreciation & Return	223,327	221,871	220,416	218,960	217,505	216,049	2,688,657
	e DOE D&D Fund Payment	0	0	0	0	5,776,464	0	5,776,464
2	a Fuel Cost of Power Sold	(12,522,898)	(13,088,555)	(6,879,491)	(5,761,015)	(6,150,382)	(22,747,689)	(99,626,894)
	b Revenues from Off-System Sales	(4,460,012)	(5,340,651)	(1,146,537)	(524,735)	(1,389,722)	(15,208,352)	(37,560,276)
3	a Fuel Cost of Purchased Power	14,169,527	15,440,626	13,057,466	13,114,310	12,366,886	13,761,156	154,837,932
	b Energy Payments to Qualifying Facilities	16,041,026	13,407,118	11,968,165	16,017,484	7,357,131	12,320,289	137,173,404
4	Energy Cost of Economy Purchases	6,605,747	6,488,008	11,663,945	9,067,913	3,183,739	1,822,072	66,896,351
5	Total Fuel Costs & Net Power Transactions	\$ 263,930,252	\$ 268,027,816	\$ 294,690,736	\$ 245,687,708	\$ 176,419,958	\$ 164,121,740	\$ 2,376,459,208
<b>Adjustments to Fuel Cost:</b>								
	a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	(3,174,826)	(3,685,463)	(3,461,679)	(3,469,913)	(3,065,552)	(2,397,036)	(30,722,986)
	b Reactive and Voltage Control Fuel Revenue	(36,383)	(29,386)	(29,880)	(23,417)	(56,618)	(33,329)	(793,897)
	c Inventory Adjustments	(207,089)	(208,856)	(55,586)	(126,894)	105,849	(173,846)	(1,362,557)
	d Non Recoverable Oil/Tank Bottoms	0	0	0	(169,170)	0	0	292,881
	e Modifications to Burn Low Gravity Oil	0	(43)	0	0	43	(834)	21,387
7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 260,511,954	\$ 264,104,068	\$ 291,143,591	\$ 241,898,314	\$ 173,403,680	\$ 161,516,695	\$ 2,343,894,036
<b>kWh Sales</b>								
1	Jurisdictional kWh Sales (RTP @ CBL)	8,509,495,477	8,739,080,561	8,874,449,923	7,955,150,648	6,671,823,412	6,806,086,660	87,931,992,861
2	Sale for Resale (\$Excluding FKEC & CKW)	328,806	152,716	502,199	553,362	528,362	569,607	6,230,535
3	Sub-Total Sales (\$Excluding FKEC & CKW)	8,509,824,283	8,739,233,277	8,874,952,122	7,955,704,010	6,672,351,774	6,806,656,267	87,938,223,396
<b>Jurisdictional % of Total kWh Sales (lines B1/B3)</b>								
		99.99614 %	99.99825 %	99.99434 %	99.99304 %	99.99208 %	99.99163 %	N/A
<b>True-up Calculation</b>								
1	Jurisdictional Fuel Revenues (Incl RTP @ CBL) Net of Revenue Taxes	\$ 192,977,164	\$ 197,883,559	\$ 201,095,236	\$ 180,219,172	\$ 151,158,389	\$ 154,153,029	\$ 1,833,786,993
<b>Fuel Adjustment Revenues Not Applicable to Period:</b>								
	a 1 Prior Period True-up Provision	3,531,465	3,531,465	3,531,465	3,531,465	3,531,465	3,531,465	42,377,583
	a 2 Prior Period True-up Provision	(14,824,048)	(14,824,048)	(14,824,048)	(14,824,048)	(14,824,048)	(14,824,048)	(96,356,314)
	b GPIF, Net of Revenue Taxes (b)	(932,365)	(932,365)	(932,365)	(932,365)	(932,365)	(932,365)	(11,188,376)
	c Oil Backout Revenues, Net of revenue Taxes	1	(1)	(1)	10	7	8	330
3	Jurisdictional Fuel Revenues Applicable to Period	\$ 180,752,217	\$ 185,658,610	\$ 188,870,287	\$ 167,994,234	\$ 138,933,448	\$ 141,928,089	\$ 1,768,620,216
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 260,511,954	\$ 264,104,068	\$ 291,143,591	\$ 241,898,314	\$ 173,403,680	\$ 161,516,695	\$ 2,343,894,036
	b Nuclear Fuel Expense - 100% Retail	0	0	0	0	0	0	0
	c RTP Incremental Fuel - 100% Retail	240,322	(33,788)	154,621	55,289	102,696	102,365	1,093,208
	d D&D Fund Payments - 100% Retail	0	0	0	0	5,776,464	0	5,776,464
	e Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	260,271,632	264,137,856	290,988,970	241,843,025	167,524,520	161,414,330	2,337,024,365
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99614 %	99.99825 %	99.99434 %	99.99304 %	99.99208 %	99.99163 %	100.00000 %
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00064) + (Lines C4b,c,d)	\$ 260,668,475	\$ 264,268,491	\$ 291,313,343	\$ 242,036,250	\$ 173,497,619	\$ 161,606,481	\$ 2,345,231,241
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ (79,916,257)	\$ (78,609,881)	\$ (102,443,056)	\$ (74,042,016)	\$ (34,564,171)	\$ (19,678,393)	\$ (576,611,026)
8	Interest Provision for the Month (Line D10)	(1,594,216)	(1,958,245)	(2,397,356)	(2,828,685)	(3,112,319)	(3,218,488)	(18,201,421)
9	True-up & Interest Provision Beg of Period Over/(Under) Recovery	(169,260,574)	(224,654,416)	(279,105,911)	(446,773,981)	(527,176,146)	(568,384,101)	42,377,583
	Deferred True-up Beginning of Period - Over/(Under) Recovery	(88,944,290)	(103,768,338)	(118,592,386)	(44,472,145)	(29,648,097)	(14,824,048)	(96,356,314)
10	a Prior Period True-up Collected/(Refunded) This Period	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)	(42,377,583)
	b Prior Period True-up Collected/(Refunded) This Period	14,824,048	14,824,048	14,824,048	14,824,048	14,824,048	14,824,048	96,356,314
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	\$ (328,422,754)	\$ (397,698,297)	\$ (491,246,125)	\$ (556,824,243)	\$ (583,208,148)	\$ (594,812,447)	\$ (594,812,447)
<b>NOTES</b>								
(a) Per Order No. PSC-00-1081-PCO-EI, FPL was authorized to collect 60% of the \$231 million expense increase anticipated in the 2000 Midcourse Correction.								
(b) Generation Performance Incentive Factor is $(\$11,367,066/12) \times 98.4280\%$ - See Order No. PSC-99-2512-FOF-EI.								
(c) Jurisdictional Loss Multiplier per Schedule E2 revised December 15, 1999								

FLORIDA POWER & LIGHT COMPANY  
 FUEL COST RECOVERY CLAUSE  
 CALCULATION OF FINAL TRUE-UP VARIANCE  
 FOR THE PERIOD JANUARY THROUGH DECEMBER 2000

LINE NO.		(1)	(2)	(3)	(4)	
		ACTUAL	ESTIMATED / ACTUAL (a)	VARIANCE AMOUNT	%	
A	1	a Fuel Cost of System Net Generation	\$ 2,119,254,505	\$ 2,009,938,005	\$ 109,316,500	5.4 %
		b Nuclear Fuel Disposal Costs	22,914,549	22,531,560	382,989	1.7 %
		c Coal Cars Depreciation & Return	4,104,516	4,104,516	0	0.0 %
		d Gas Pipelines Depreciation & Return	2,688,657	2,692,657	(4,000)	(0.1) %
		e DOE D&D Fund Payment	5,776,464	5,930,000	(153,536)	0.2 %
	2	a Fuel Cost of Power Sold	(99,626,893)	(75,117,362)	(24,509,532)	32.6 %
		b Revenues from Off-System Sales	(37,560,276)	(20,673,259)	(16,887,017)	81.7 %
	3	a Fuel Cost of Purchased Power	154,837,932	148,930,708	5,907,224	4.0 %
		b Energy Payments to Qualifying Facilities	137,173,404	137,949,465	(776,061)	(0.6) %
	4	Energy Cost of Economy Purchases	66,896,351	57,050,832	9,845,519	17.3 %
	5	Total Fuel Costs & Net Power Transactions	\$ 2,376,459,208	\$ 2,293,337,123	\$ 83,122,085	3.6 %
	6	Adjustments to Fuel Cost:				
		a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (30,722,987)	\$ (25,353,354)	\$ (5,369,633)	21.2 %
		b Reactive and Voltage Control Fuel Revenue	(793,898)	(621,267)	(172,631)	27.8 %
		c Inventory Adjustments	(1,362,556)	(903,224)	(459,332)	50.9 %
		d Non Recoverable Oil/Tank Bottoms	292,882	462,051	(169,169)	N/A
		e Modifications to Burn Low Gravity Oil	21,387	22,221	(834)	(3.8) %
	7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 2,343,894,036	\$ 2,266,943,549	\$ 76,950,486	3.4 %
C	1	Jurisdictional kWh Sales	87,931,992,861	87,896,045,657	35,947,204	0.0 %
	2	Sale for Resale	6,230,535	6,861,289	(630,754)	(9.2) %
	3	Total Sales (Excluding RTP Incremental)	87,938,223,396	87,902,906,946	35,316,450	0.0 %
	4	Jurisdictional Sales % of Total kWh Sales (Line B-6)	N/A	N/A	N/A	N/A
D	1	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	\$ 1,833,786,993	1,832,417,732	\$ 1,369,261.44	0.1 %
	a1	Prior Period True-up Provision	42,377,583	42,377,583	0	0.0 %
	a2	Prior Period True-up Provision	(96,356,314)	(96,356,314)	(0)	N/A
	b	Generation Performance Incentive Factor Net (b)	(11,188,376)	(11,188,380)	4	0.0 %
	c	Oil Backout Revenues, Net of revenue Taxes	330	306	24	N/A
	3	Jurisdictional Fuel Revenues Applicable to Period	\$ 1,768,620,216	\$ 1,767,250,927	\$ 1,369,289	0.1 %
	4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 2,343,894,036	\$ 2,266,943,549	\$ 76,950,486	3.4 %
		b Nuclear Fuel Expense - 100% Retail	0	0	0	N/A
		c RTP Incremental Fuel -100% Retail	1,093,208	712,026	381,182	53.5 %
		d D&D Fund Payments -100% Retail (Line A 1 e)	5,776,464	5,930,000	(153,536)	(2.6) %
		e Adj. Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (D4a-D4b-D4c-D4d)	2,337,024,365	2,260,301,524	76,569,304	3.4 %
	5	Jurisdictional Sales % of Total kWh Sales	N/A	N/A	N/A	N/A
	6	Jurisdictional Total Fuel Costs & Net Power Transactions	\$ 2,345,231,242	\$ 1,767,250,927	\$ 577,980,315	32.7 %
	7	True-up Provision for the Period- Over/(Under) Recovery (Line D3 - Line D6)	\$ (576,611,026)	\$ (500,967,153)	\$ (75,643,873)	N/A
	8	Interest Provision for the Month	(18,201,421)	(17,038,223)	(1,163,198)	6.8 %
	9	True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	42,377,583	42,377,583	0	0.0 %
	a	Deferred True-up Beginning of Period - Over/(Under) Recovery	(96,356,314)	(96,356,314)	0	0.0 %
	10	a Prior Period True-up Collected/(Refunded) This Period	(42,377,583)	(42,377,583)	0	0.0 %
		b Prior Period True-up Collected/(Refunded) This Period	96,356,314	96,356,314	0	0.0 %
	11	End of Period Net True-up Amount Over/(Under) Recovery (Lines D7 through D10)	\$ (594,812,447)	\$ (518,005,376)	\$ (76,807,071)	N/A

**NOTES** (a) Per Appendix I, page 3 of K. M. Dubin's testimony filed August 23, 2000 approved in FPSC Order No. PSC-00-2385-FOF-EI, dated December 12, 2000.

(b) Generation Performance Incentive Factor is (\$11,367,066 x 98.4280%) - See Order No. PSC-99-2512-FOF-EI.

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

**KMD - 2**  
**DOCKET NO. 010001 - EI**  
**FPL WITNESS: K. M. DUBIN**  
**April 2, 2001**



**APPENDIX II**  
**CAPACITY COST RECOVERY**  
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4	CALCULATION OF FINAL TRUE UP AMOUNT
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**FLORIDA POWER & LIGHT COMPANY  
CAPACITY COST RECOVERY CLAUSE  
SUMMARY OF NET TRUE-UP FOR THE  
PERIOD JANUARY THROUGH DECEMBER 2000**

1.	End of Period True-up for the period January through December 2000 (from page 6, lines 15 & 16)	\$ 39,560,855
2.	Less - Estimated/Actual True-up for the same period *	42,411,275
3.	Net True-up for the period January through December 2000	<u>\$ (2,850,420)</u>

( ) Reflects Underrecovery

\* Approved in FPSC Order No. PSC-00-2385-FOF-EI dated December 12, 2000

CAPACITY COST RECOVERY CLAUSE  
 CALCULATION OF FINAL TRUE-UP AMOUNT  
 FOR THE PERIOD JANUARY THROUGH DECEMBER 2000

LINE NO.	(1) JAN 2000	(2) FEB 2000	(3) MAR 2000	(4) APR 2000	(5) MAY 2000	(6) JUN 2000
1. UPS Capacity Charges	\$ 9,093,678.00	\$ 9,499,081.00	\$ 9,320,275.00	\$ 9,219,263.00	\$ 9,019,651.00	\$ 9,196,312.00
2. Short Term Capacity Purchases CCR	0.00	0.00	0.00	0.00	0.00	3,779,000.00
3. QF Capacity Charges	26,406,493.27	26,498,606.07	25,962,121.20	26,759,341.94	26,608,232.57	26,567,549.89
4. SJRPP Capacity Charges	7,274,434.99	7,282,165.88	7,707,571.14	7,625,508.83	7,433,150.86	7,423,269.10
4a. SJRPP Suspension Accrual	391,667.00	391,667.00	391,667.00	364,775.00	364,775.00	364,775.00
4b. Return on SJRPP Suspension Liability	(106,038.28)	(109,894.20)	(113,750.15)	(117,473.71)	(121,064.90)	(124,656.10)
5. SJRPP Deferred Interest Payment	(308,458.17)	(308,458.17)	(233,106.95)	(233,106.95)	(233,106.95)	(233,106.95)
6. Cypress Settlement (Capacity)	0.00	0.00	0.00	1,530,589.14	0.00	0.00
7. Trans. of Electricity by Others - FPL Sales	34,414.07	12,890.00	13,739.50	(3,667.20)	50,560.70	355,975.81
8. Revenues from Capacity Sales	(657,825.63)	(269,478.09)	(290,773.14)	(356,613.43)	(501,496.25)	(275,795.86)
9. Total (Lines 1 through 8)	\$ 42,128,365.25	\$ 42,996,579.49	\$ 42,757,743.60	\$ 44,788,616.62	\$ 42,620,702.03	\$ 47,053,322.89
10. Jurisdictional Separation Factor (a)	97.87297%	97.87297%	97.87297%	97.87297%	97.87297%	97.87297%
11. Jurisdictional Capacity Charges	41,232,282.28	42,082,029.35	41,848,273.57	43,835,949.31	41,714,146.91	46,052,484.60
12. Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)
13. Jurisdictional Capacity Charges Authorized	\$ 36,486,816.28	\$ 37,336,563.35	\$ 37,102,807.57	\$ 39,090,483.31	\$ 36,968,680.91	\$ 41,307,018.60
14. Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 30,219,886.13	\$ 29,996,057.19	\$ 28,692,655.49	\$ 29,715,040.03	\$ 31,392,464.44	\$ 37,706,366.65
15. Prior Period True-up Provision	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00
16. Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 37,242,293.13	\$ 37,018,464.19	\$ 35,715,062.49	\$ 36,737,447.03	\$ 38,414,871.44	\$ 44,728,773.65
17. True-up Provision for Month - Over/(Under) Recovery (Line 16 - Line 13)	755,476.85	(318,099.16)	(1,387,745.08)	(2,353,036.28)	1,446,190.52	3,421,755.06
18. Interest Provision for Month	463,570.11	441,058.87	414,556.24	384,553.27	362,576.91	350,797.70
19. True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	84,268,889.00	78,465,528.96	71,566,081.67	63,570,485.83	54,579,595.82	49,365,956.26
20. Deferred True-up - Over/(Under) Recovery	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00
21. Prior Period True-up Provision - Collected/(Refunded) this Month	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)
22. End of Period True-up - Over/(Under) Recovery (Sum of Lines 17 through 21)	\$ 94,923,812.96	\$ 88,024,365.67	\$ 80,028,769.83	\$ 71,037,879.82	\$ 65,824,240.26	\$ 62,574,386.01
monthly entry	(5,803,360.04)	(6,899,447.29)	(7,995,595.84)	(8,990,890.01)	(5,213,639.56)	(3,249,854.25)

Notes: (a) Per K. M. Dublin's Testimony Appendix III Page 3, Docket No. 990001-EI, filed October 1, 1999  
 (b) Per FPSC Order No. PSC-94-1092-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.

CAPACITY COST RECOVERY CLAUSE  
 CALCULATION OF FINAL TRUE-UP AMOUNT  
 FOR THE PERIOD JANUARY THROUGH DECEMBER 2000

LINE NO.		(7) JUL 2000	(8) AUG 2000	(9) SEP 2000	(10) OCT 2000	(11) NOV 2000	(12) DEC 2000	(13) TOTAL	LINE NO.
1.	UPS Capacity Charges	\$ 7,721,900.00	\$ 9,077,699.00	\$ 9,092,974.00	\$ 8,945,049.00	\$ 8,816,443.00	\$ 8,754,184.00	\$107,756,509.00	1.
2.	Short Term Capacity Purchases CCR	3,779,000.00	3,862,200.00	1,821,500.00	0.00	0.00	0.00	13,241,700.00	2.
3.	QF Capacity Charges	26,452,487.44	26,099,044.75	27,040,455.45	26,244,778.38	26,586,533.18	26,676,485.71	317,902,129.85	3.
4.	SJRPP Capacity Charges	7,117,693.35	6,943,956.15	6,280,669.74	7,324,915.04	7,198,354.18	6,091,872.15	85,703,561.41	4.
4a	SJRPP Suspension Accrual	364,775.00	364,775.00	364,775.00	364,775.00	364,775.00	364,775.00	4,457,976.00	4a.
4b	Return on SJRPP Suspension Liability	(128,247.29)	(131,838.48)	(135,429.65)	(139,020.85)	(142,612.05)	(146,203.23)	(1,516,228.89)	4b.
5.	SJRPP Deferred Interest Payment	(233,106.95)	(233,106.95)	(234,464.05)	(310,545.87)	(310,545.87)	(310,545.87)	(3,181,659.70)	5.
6.	Cypress Settlement (Capacity)	0.00	0.00	0.00	1,530,589.14	136,279.40	0.00	3,197,457.68	6.
7.	Trans. of Electricity by Others - FPL Sales	356,545.88	174,764.33	54,485.10	(901.01)	34,824.00	10,441.43	1,094,072.61	7.
8.	Revenues from Capacity Sales	(524,499.07)	(825,064.82)	(216,067.16)	(320,629.27)	(448,975.98)	(1,878,424.19)	(6,565,642.89)	8.
9.	Total (Lines 1 through 8)	\$ 44,906,548.36	\$ 45,332,428.98	\$ 44,068,898.43	\$ 43,639,009.56	\$ 42,235,074.86	\$ 39,562,585.00	\$522,089,875.07	9.
10.	Jurisdictional Separation Factor (a)	97.87297%	97.87297%	97.87297%	97.87297%	97.87297%	97.87297%	N/A	10.
11	Jurisdictional Capacity Charges	43,951,372.60	44,368,194.62	43,131,539.74	42,710,794.73	41,336,722.15	38,721,076.95	510,984,866.80	11
12.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(56,945,592.00)	12
13.	Jurisdictional Capacity Charges Authorized	\$ 39,205,906.60	\$ 39,622,728.62	\$ 38,386,073.74	\$ 37,965,328.73	\$ 36,591,256.15	\$ 33,975,610.95	\$454,039,274.80	13.
14.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 38,504,653.20	\$ 39,765,128.10	\$ 39,996,776.93	\$ 36,682,353.26	\$ 31,010,497.95	\$ 31,220,141.85	\$404,902,021.20	14.
15.	Prior Period True-up Provision	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	84,268,889.00	15.
16.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 45,527,060.20	\$ 46,787,535.10	\$ 47,019,183.93	\$ 43,704,760.26	\$ 38,032,904.95	\$ 38,242,548.85	\$489,170,910.20	16.
17.	True-up Provision for Month - Over/(Under) Recovery (Line 16 - Line 13)	6,321,153.59	7,164,806.48	8,633,110.19	5,739,431.52	1,441,648.80	4,266,937.90	35,131,635.40	17
18.	Interest Provision for Month	339,119.49	336,849.67	343,412.15	346,422.35	333,529.80	312,773.30	4,429,219.84	18.
19.	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	46,116,102.01	45,753,968.09	46,233,217.24	48,187,332.58	47,250,779.45	42,003,551.04	84,268,889.00	19
20.	Deferred True-up - Over/(Under) Recovery	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	20.
21.	Prior Period True-up Provision - Collected/(Refunded) this Month	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(84,268,889.00)	21.
22.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 17 through 21)	\$ 62,212,252.09	\$ 62,691,501.24	\$ 64,645,616.58	\$ 63,709,063.45	\$ 58,461,835.04	\$ 56,019,139.25	\$ 56,019,139.25	22.
	monthly entry	(362,133.92)	479,249.15	1,954,115.34	(936,553.13)	(5,247,228.40)	(2,442,695.80)		

Notes: (a) Per K. M. Dublin's Testimony Appendix III Page 3, Docket No. 990001-EI, filed October 1, 1999  
 (b) Per FPSC Order No. PSC-94-1092-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

5

**FLORIDA POWER & LIGHT COMPANY  
CAPACITY COST RECOVERY CLAUSE  
CALCULATION OF FINAL TRUE-UP VARIANCES  
FOR THE PERIOD JANUARY THROUGH DECEMBER 2000**

Line No.		(1)	(2)	(3)	(4)
		ACTUAL	ESTIMATED / ACTUAL (a)	VARIANCE AMOUNT %	
1.	Payments to Non-cogenerators	\$ 203,520,111	\$ 206,952,618	\$ (3,432,507)	(1.7) %
2	Payments to Cogenerators	317,902,130	323,901,237	(5,999,107)	(1.9) %
3.	SJRPP Suspension Accrual	4,457,976	4,457,976	0	0.0 %
4	Return Requirements on SJRPP Suspension Liability	(1,516,229)	(1,516,229)	0	0.0 %
4b.	Cypress Settlement (Capacity)	3,197,458	3,264,178	(66,720)	(2.0) %
5.	Transmission of Electricity by Others - FPL Sales	1,094,074	820,459	273,615	33.3 %
6	Revenues from Capacity Sales	(6,565,643)	(4,562,493)	(2,003,149)	43.9 %
7.	Total (Lines 1 through 6)	\$ 522,089,876	\$ 533,317,746	\$ (11,227,870)	(2.1) %
8.	Jurisdictional Separation Factor	N/A	N/A	N/A	N/A
9.	Jurisdictional Capacity Charges	\$ 510,984,867	\$ 521,973,918	\$ (10,989,051)	(2.1) %
10.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	\$ (56,945,592)	(56,945,592)	0	N/A
11.	Jurisdictional Capacity Charges Authorized for Recovery through CCR Clause	\$ 454,039,275	\$ 465,028,326	\$ (10,989,051)	(2.4) %
12	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 404,902,021	\$ 418,598,080	\$ (13,696,059)	(3.3) %
13	Prior Period True-up Provision	84,268,889	84,268,889	0	N/A
14	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 489,170,910	\$ 502,866,969	\$ (13,696,059)	(2.7) %
15.	True-up Provision for Period - Over/(Under) Recovery (Line 14 - Line 11)	\$ 35,131,635	\$ 37,838,644	\$ (2,707,008)	N/A
16.	Interest Provision for Period	4,429,220	4,572,632	(143,412)	N/A
17.	True-up & Interest Provision Beginning of Period - Over/(Under) Recovery	84,268,889	84,268,889	0	N/A
18.	Deferred True-up - Over/(Under) Recovery	16,458,284	16,458,284	0	N/A
19.	Prior Period True-up Provision - Collected/(Refunded) this Period	(84,268,889)	(84,268,889)	0	N/A
20.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 15 through 19)	\$ 56,019,139	\$ 58,869,559	\$ (2,850,420)	(4.8) %
Notes:	(a) Per K. M. Dubin's Testimony Appendix II, Page 3, Docket No. 000001-EI, filed August 23, 2000.				
	(b) Per FPSC Order No. PSC-94-1092-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.				