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January 28, 2002

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COMMISSION
CLERK

- VIA HAND DELIVERY –

Ms. Blanca S. Bayó
Director of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 001148-EI

Dear Mr. Bayó:

I am enclosing for filing in the above docket the original and fifteen (15) copies of the prefiled testimony and exhibits for the following Florida Power & Light Company ("FPL") witnesses:

	Mark R. Bell · 01061-02	K. Michael Davis 01067-02
	M. Dewhurst-01062-02	Paul J. Evanson 01068-02
	William W. Hamilton 01063	Steven P. Harris 01069-02
01064	Dr. J. Stuart McMenamin	Rosemary Morley 01070-02
	Armando J. Olivera 01065	James K. Peterson 01071-02
	John M. Shearman 01066	Samuel S. Waters 01072-02

FPL is filing these witnesses' testimonies today in accordance with Order No. PSC-02-0089-PCO-EI, dated January 15, 2002. FPL's witnesses sponsor and explain the MFRs FPL has previously filed in this docket. Together with the MFRs, their testimonies demonstrate that FPL's 2002 test year results do not support any reduction in FPL's base rates.

AUS ___
CAF ___
CMP ___
COM Stay
CTR ___
ECR ___
GCL 1
OPC 1
MMS ___
SEC 1
OTH ___

Sincerely,

John T. Butler, P. A.

Enclosures
cc: Counsel of record (w/copy of enclosures)

RECEIVED & FILED
FPSC-BUREAU OF RECORDS

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the prefiled testimony and exhibits of Mark R. Bell, K. Michael Davis, M. Dewhurst, Paul J. Evanson, William W. Hamilton, Steven P. Harris, Dr. J. Stuart McMenamin, Rosemary Morley, Armando J. Olivera, James K. Peterson, John M. Shearman and Samuel S. Waters were served by hand delivery (*) or overnight delivery this 28th day of January, 2002 to the following:

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Legal Division
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By: ____________________
John T. Butler, P. A.

BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION

DOCKET NO. 001148-EI
FLORIDA POWER & LIGHT COMPANY

JANUARY 28, 2002

IN RE: REVIEW OF THE RETAIL RATES
OF FLORIDA POWER & LIGHT COMPANY

TESTIMONY & EXHIBITS OF:

MARK R. BELL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER AND LIGHT COMPANY

DIRECT TESTIMONY OF MARK R. BELL

DOCKET NO. 001148-EI

JANUARY 28, 2002

Q. **Would you please state your name, business address, and occupation?**

A. My name is Mark R. Bell. My business address is 133 Peachtree Street, N.E., Atlanta, Georgia, 30303. I am a partner in the accounting firm Arthur Andersen LLP.

Q. **Would you please state your educational and professional background?**

A. I joined Arthur Andersen LLP in 1967 following graduation from St. Louis University with a Bachelor of Science degree in Accounting. I am a Certified Public Accountant in the states of Alabama, Georgia, and Missouri, and I am a member of the American Institute of Certified Public Accountants (AICPA).

Q. **Would you briefly describe the work of Arthur Andersen LLP?**

A. The firm has approximately 390 offices, of which about 21 percent are in the United States. We work with all types of businesses, both regulated and nonregulated.

Q. **What is the nature of the work you have performed at Arthur Andersen LLP?**

A. While I have experience in a number of industries, a significant portion of my career (which has included working in our St. Louis, Los Angeles, San Francisco, and Atlanta offices) has been devoted to regulated industries, including electric utilities, water and sewer, gas and telephone companies. Throughout my career, I have worked with a broad range of energy companies including Georgia Power, Gulf Power, Nevada Power, Southern Indiana Gas & Electric Company, Central Illinois Light Company, and the Virgin Islands Water and Power Authority. I have conducted and supervised independent audits of the financial statements of public utilities and have supervised work in connection with the issuance of securities of these companies. I have also assisted in numerous rate filings on a wide range of topics before various state regulatory bodies. My experience before the Florida Public Service Commission includes testifying in Gulf Power Company's three prior retail rate hearings on my independent examination of the Company's financial forecasting system. Additionally, I have testified previously before the Georgia Public Service Commission.

Q. What are your present responsibilities at Arthur Andersen LLP?

A. For the past ten years, I have been the partner-in-charge of the Southeast Region Utility practice. In addition, I either serve or have served as the engagement partner for Mirant Corporation, Georgia Power Company, and Gulf Power Company as well as several other electric utilities and telephone companies.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present the results of my independent examination of the financial forecasting system used by Florida Power & Light Company ("FPL" or the "Company"), including my review of the accuracy with which the system forecasts the test period financial results, the overall reasonableness of the assumptions made by the Company to develop those results, and the consistency of the data used in applying those assumptions throughout the forecast.

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

A. Yes, I have. It is comprised of the following three documents:

Document No. MRB-1:	Overview of Financial Forecasting Process
Document No. MRB-2:	AICPA Guidelines for Prospective Financial Information
Document No. MRB-3:	Prior Year's Forecast to Actual Variance as a Percent of Operating Revenue

Q. Please describe your examination of the financial forecast made by the Company for purposes of this proceeding.

A. The examination was made under my direct supervision and consisted of two parts. The first part was an examination of the Company's financial forecasting system itself; the second part was an examination of the specific forecast of the 2002 test period as summarized in Mr. Davis' testimony.

Q. Do you have a document that shows an overview of the financial forecasting process?

A. Yes. My Document No. MRB-1 illustrates, in summary form, the Company's process for preparing forecasts. This system is described in detail by Company witness Davis. As the schedule illustrates, input is developed by various departments whose personnel are qualified in specific areas such as economic forecasting, operations, engineering, accounting, and finance. This input reflects the key assumptions that are approved for consistent application throughout the forecast. The Corporate Finance Group has primary responsibility for collecting common assumption data to be used in the forecast from the appropriate source departments, communicating the forecast guidelines to the business units, validating internal consistency of data, producing the financial forecast using the source budgets and obtaining appropriate management review and approval. The Chief Operating Officer reviews the forecast on a business unit level. The final approved forecast is an input to the Company's responsibility reporting system, which provides monthly and quarterly reports showing actual results compared to the forecast, and which management uses to control and monitor the various departments of the Company.

Q. Can you describe how the various systems on your Document No. MRB-1 function to produce the results reflected in the Company's MRFs and discussed herein?

A. I reference Witness Davis' testimony for a more detailed description but, effectively, Corporate Finance had primary responsibility for collecting and consolidating data to be used in the forecast from the various source processes: the Sales, Net Energy for Load ("NEL") and Peak Demand forecasts and the Production Costing Model are prepared by the Resource Assessment and Planning ("RAP") department, the Retail & Wholesale Base Revenue forecast are prepared by the Rate Department and the Operations and Maintenance ("O&M") forecast and the Capital Expenditures ("Capital") forecast are consolidated by Corporate Finance based on inputs from all business units. Corporate Finance initially provided forecast guidelines to the source departments, produced the financial forecast using the Consolidated Financial Model ("CFM") software, and obtained management's review and approval for the overall budget. Once the final financial forecast (or budget) was approved, the Regulatory Filing Data Repository ("RFDR") was updated with the financial model information converted to FERC functions and accounts, and the more detailed support from each of the source processes. The RFDR also was updated with cost of service level and jurisdictional level information. Ultimately, the RFDR contains the calculated rate base, net operating income, and the capital structure for the company. The RFDR data and results were used to prepare, validate and control the Minimum Filing Requirements ("MFR").

Q. Please describe the O&M and Capital Expenditure Budgeting Process that led to the results reflected in the Company's MFRs.

A. Again, I refer you to MFR F-9 and Witness Davis' testimony for a more detailed discussion. As a general statement, the Company employs a variety of methods in the capital and O&M forecasting processes. For O&M, the specific activity cost driven method is the most predominately used. The capital forecast is principally created using load estimates and specific project-based methods.

Non-recurring O&M and capital expenses are segregated from recurring items for the purposes of appropriately applying drivers to normalized recurring bases. The non-recurring expenses, regardless of separation from recurring items, are budgeted individually, and drivers are not applied to them, unless appropriate for a specific element of the budgeted project.

Recurring O&M expenses and projects are budgeted through a hybrid method combining a driver-based method with a specific analysis method (zero-base). The driver method is applied to all activities that cannot accurately be budgeted by specific analysis. The other method used is the hybrid of specific-analysis and driver-based approach. This method allows the development of a budget according to the anticipated activity in 2002 all under the consideration of historical trends that exist for such recurring expenses.

O&M budgeting is performed on an annual basis and occurs throughout the course of the year in several stages. First, the business units perform a review of the goals and objectives for the coming year. Next, the business units develop business plans and budgets calculated to achieve these targets. The business unit budgets are generated through forecasts by FPL employees most familiar with the budgetary needs of their activities. This is accomplished by "pushing down" preparation of budgets to those responsible for the detailed levels of business. Forecasts are then prepared on either a project or detail (item-specific) basis. Once the business unit forecasts are completed, each is integrated into an overall corporate plan and budget. Finally, this is reviewed by the Chief Operating Officer and ultimately is used in determining the plan. In this case, the forecast for the year 2002 becomes the basis for the MFRs used in this proceeding.

The capital budget process begins with the development of initial targets that are based primarily on the physical facilities required to provide electrical energy to the Company's customers. The need for these facilities is generally based on customer growth projections, age and technological obsolescence of existing plant, availability of alternative energy sources such as purchased power and qualified facilities, demand side management programs, and system reliability and qualitative considerations. A number of detailed studies are performed in which various alternatives are evaluated based on reliability and costs. The end result is a specific plan for construction of generating facilities of specific size, at specified points in time, including related transmission and distribution facilities. The essential construction requirements data included in this plan are then transmitted to the various capital groups who develop the detailed capital budgets. The business units then conduct a thorough analysis of their capital requirements and prepare a preliminary capital budget by prioritization category and then by project. This information is then provided to Corporate Finance and is incorporated into the financial forecast. The aggregated prioritized category and project listing is then presented to senior management for their review in conjunction with the results of the financial forecast.

Q. **Please describe the Revenue Forecasting Process.**

A. The revenue forecast is prepared by the RAP and Rate departments and primarily determined using short-term forecasts developed on a monthly basis for a five-year period for customers and NEL projections. The primary drivers for the forecast are weather, price of electricity, customers, and per capita income, which are projected based on historical results. FPL forecasts customer growth and energy demand by revenue class, compares this to the forecasted NEL, and develops the final forecast for sales of energy. The RAP department then forwards this information to the Rate department for application of the appropriate rates by customer class. The final revenue forecast is forwarded to Corporate Finance for approval by corporate management and compilation into the CFM.

Q. Please describe the scope of your examination of the financial forecasting system.

A. I utilize a work program designed to evaluate the forecasting system in light of the relevant professional standards. My examination indicated that the Company has a forecasting system which is effective and which meets all of the relevant professional standards for such a system.

Q. What "relevant professional standards" did you use in evaluating the Company's financial forecasting system?

A. I evaluated the Company's financial forecasting system against the professional standards outlined in the American Institute of Certified Public Accountants' ("AICPA") "Guide For Prospective Financial Information." This official pronouncement of the AICPA establishes the broad principles and requirements that govern the preparation of financial forecasts. The AICPA guidelines provide a comprehensive statement relating to the preparation of forecasts and as such, can be used to determine that a forecast is prepared in a reasonable and prudent manner. The statement establishes a set of criteria against which a forecasting system can be evaluated. The implementation of the guidelines was intended to lead to increased confidence on the part of users that due care is exercised in the preparation of forecasts. The eleven specific guidelines in this statement are included in my Document No. MRB-2.

Q. Please summarize the procedures used in your examination of the Company's financial forecasting system.

A. I employed the following procedures considered necessary to evaluate and examine both the underlying assumptions used in the forecast, the preparation and presentation of the financial forecast, and the financial forecasting system.

First, I developed an overall understanding of the Company's activities that comprise its forecasting system. I also followed flow of data from the originating departments through the forecasting system to the final preparation of the forecast itself. This procedure was undertaken to complete my understanding of the processes used by the organizational units within the Company in the preparation of the financial forecast. The second step of my examination consisted of the identification and review of the specific procedures followed by the Company personnel in preparing the forecast. The purpose of this step was to verify that adequate procedures were in place to ensure the accuracy and completeness of the forecast if those procedures were followed. Finally, certain compliance tests were performed and certain documentation and reports were reviewed to verify that the system was in fact operating as designed. This work also included ensuring the internal consistency of data used in the forecast.

Q. Please describe your examination of the specific 2002 forecast.

A. In addition to the work on the forecasting system, which I just described, the clerical accuracy of the financial model input and output was tested on a scope basis. This included recalculating many of the computations made by the model as well as assessing the controls in place surrounding the system. This work was performed under my direction by Arthur Andersen's Technology Risk Consultants, who specialize in the testing of the integrity and accuracy of systems. The input data were referenced to the appropriate source documents and were traced through the model processing into the forecast output, which is summarized in Mr. Davis' testimony. The key assumptions approved by management, which are set forth in MFR F-17, were verified to be those actually used in the forecast. Further, the forecast was reviewed for the appropriate interrelationships of the data generated and for conformity with proper rate making procedures and generally accepted accounting principles. Finally, the model is the mechanism used to complete MFRs and provide financial information usable in the rate setting process.

Q. **During your examination did you note any changes or adjustments that should be reflected in the 2002 forecast for purposes of this proceeding?**

A. I refer to Witness Davis' testimony concerning one reclassification issue on MFRs C-55 and C-57 related to Sales Expense. While this reclassification should have been made for jurisdictional reporting purposes, it has no impact on rates as both accounts are components of O&M costs.

The forecast was modified from its original filed format as a result of the changes in assumptions principally as a result of the September 11 events. The original forecast was adjusted as follows:

1) O&M increased by approximately $23 million, excluding approximately $2 million related to recovery clause adjustments;
2) Capital decreased by approximately $76 million.

Also, the October 1, 2001 filing included an updated revenue forecast from the September 17, 2001 filing that showed a decrease in revenue of $100 million. I reference Witnesses Davis', Waters', and McMenamin's testimony for a discussion of the specifics on the methodologies the Company employed to determine appropriate adjustments based on the review forecast. I evaluated these adjustments against the criteria set by the Company for modification to the original forecast. These criteria were that the conditions were identifiable and the impact reasonably estimable. I concluded that FP&L appropriately made the adjustments pursuant to the Company's criteria.

Other than the reclassification of sales expenses previously discussed, which has no bearing on rates, I did not note any further adjustments that should be made to the forecast as adjusted principally for the September 11 related events. My review applied only to the updated forecast as reflected in the MRFs. While I have not reviewed the specifics of Witness Davis' proposed adjustments for the purpose of evaluating rate change contentions, I have reviewed those adjustments conceptually and believe them to be reasonable.

Q. In your opinion were the updates recorded for this filing appropriate and necessary to accurately reflect the 2002 Forecast?

A. Yes. The updates recorded were appropriate and necessary to accurately reflect the anticipated 2002 results. If these updates had not been made, I would have had to qualify my opinion related to the forecast as the unadjusted results would not have complied with the requirements of the AICPA Guidelines for an examination of prospective financial information as the results would have been inconsistent with the plans of the Company and the assumptions not appropriate given the changed environment principally as a result of the September 11 events.

Further, I noted that, if anything, the updates are probably understated in a detrimental way to the Company as certain items such as the ultimate insurance and security costs and bad debt expenses were not known and quantifiable so only the portion that was specifically quantifiable was reflected in the revised filing. Additionally, I did not note any control deficiencies, and Arthur Andersen has issued an unqualified report on the forecast to the Company.

Q. Mr. Bell, does the 2002 forecast become the basis for the Company's actual plans in that year?

A. Yes, it does.

Q. Are the people responsible for preparing the budget also held accountable for achieving it?

A. Yes. The final approved budget becomes the basis for the responsibility reporting system. The budget is prepared at the section or location level by the appropriate managers and supervisors. These budgets are combined into departmental budgets, and departmental budgets are combined into business unit budgets. These budgets are then forwarded to Business Unit heads before being reviewed by the Chief Operating Officer. The responsibility reporting system follows the same line of reporting. The responsibility reporting system generates monthly budget-to-actual comparisons at the section or location level. Summary reports are prepared on a monthly basis for review by higher levels within the

Company. At the end of each quarter, reports are prepared at the Business Unit level, which provide a detailed explanation for material budget variances, recognizing that expenses are not incurred uniformly throughout the year. In addition, a positive statement must be made as to whether or not it is estimated that the budget will be achieved by the end of the year. If the budget cannot be achieved by the end of the year, then approval must be obtained at the Business Unit and Chief Operating Officer levels. If the budget variance is not approved, then the section or location level must take the necessary steps to come within the budget for the year.

Q. Have you verified that the responsibility reporting system you have just described is operating as designed?

A. Yes. On a test basis, I have verified by examination of supporting evidence that the responsibility reporting system is operating as described above.

Q. Mr. Bell, what conclusions have you drawn from your examination of the Company's financial forecasting system and the 2002 forecast?

A. In my opinion, the financial forecasting system and the procedures employed in the preparation of the forecasted data are in compliance with the guidelines in the American Institute of Certified Public Accountants' "Guide for Prospective Financial Information." My examination indicated that the systems and procedures used by the Company are in place and are operating effectively. The data flow is subject to validation, and the forecast includes all important data. There is adequate participation, review, and approval by management. The forecasted data in the MFRs that FPL submitted on September 17, 2001, October 1, 2001, October 15, 2001, and updated November 9, 2001, provide an accurate simulation of the financial results of the underlying assumptions, and those assumptions provide a reasonable basis for the forecast. If these assumptions prove true, the 2002 forecasted test period results should become the actual financial results of the Company. Although the key assumptions developed and approved by management represent future events not susceptible to verification at the time the forecast was prepared, they were developed in good faith in a reasonable and prudent manner and were obtained from reliable sources.

Q. Mr. Bell, you stated that the 2002 forecast is based upon assumptions not susceptible to present verification. How can the Commission be assured that the use of the forecast in this rate proceeding is fair to the Company's customers?

A. The testimony of several Company witnesses describes in detail the financial forecasting system and the basis upon which it projects results. I have previously concluded that this system can be relied upon to develop forecasts in a reasonable and prudent manner, which represents the most probable financial result of the forecast test year. My examination confirms that management has a well-developed system with an ability to accurately forecast the cost of service. In addition, an analysis of the components of the forecast revenue requirements will show that the components which affect the level of base rates are not susceptible of misestimation to any great degree and the Company has historically forecasted these components with great accuracy.

Q. Please explain.

A. The Commission has adopted various adjustment cost recovery mechanisms such as fuel, capacity, environmental, and conservation, which provide for the recovery of such costs (collectively, the "recovery clauses"). Therefore, those costs have no impact on the proposed adjustments to base rates and can be eliminated from further analysis. What remains to affect base rates is other operating expenses, return, taxes on return, and the variations between forecasts and actual base rate revenues. Recent history shows that variation between forecast and actual amounts of these items has been minimal in relation to total revenue requirements applicable to base rates.

Q. What is the basis for this conclusion?

A. I have analyzed the comparisons of forecast to actual amounts for the years 1998, 1999, and 2000 as shown on Document No. MRB-3 of my exhibit. My analysis excludes the recovery clauses revenues and energy revenues associated with off-system sales agreements, which are treated as non-jurisdictional by this Commission. I applied the percentage variance for these years to the actual base rate revenues for those years in order to evaluate the significance of these variances in terms of total base rate revenue. The impact of these variances is minimal, as shown by my analysis. Most of the operating expense items are relatively fixed in nature, and when considered in light of known cost levels in prior years, their cost can be easily forecast, particularly in the short run. Therefore, the cost of operations applicable to base rates is not susceptible to misestimation to any great degree, given the level of sophistication of the Company's forecasting process. In addition, an integral part of the forecasting system described earlier in my testimony is the Company's responsibility reporting system. This responsibility reporting system supports the Company's financial planning and control process and enhances the ability of management to achieve forecast results insofar as economic events, activities, and costs are controllable. For example, management requires specific plans of action to correct interim budget-to-actual deviations to the extent expenditures are controllable.

Q. **Why do your calculations on Document No. MRB-3 not include amounts for variances between forecast and actual income taxes and recovery clause costs?**

A. Income taxes are a function of the return on equity capital. Hence, the historical forecast variation range is not relevant. Recovery clause costs are recovered through the respective recovery clauses as I previously discussed.

Q. **Please summarize your testimony.**

A. Based upon the examination described earlier in my testimony, in my opinion, the financial forecasting system used by the Company conforms with relevant professional standards, is adequate for its purpose, is complete and logically founded, and can be relied upon to produce consistent, reliable results. The 2002 forecast represents an accurate simulation of the financial results, which should occur if the key assumptions prove true. While the key assumptions represent future events not susceptible to present verification, they were developed in good faith in a reasonable and prudent manner.

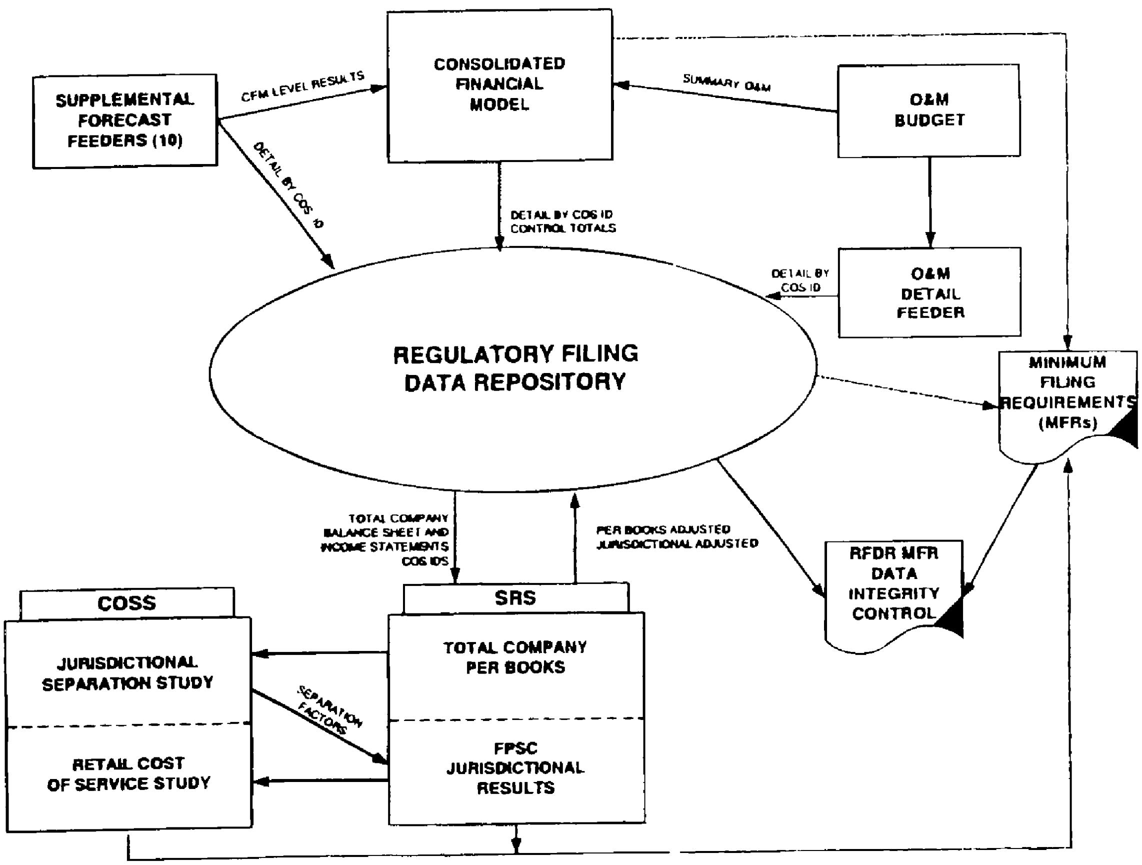
Q. **Does this conclude your testimony?**

A. Yes, it does.

INDEX	DOCUMENT NUMBER
Overview of Financial Forecasting Process	MRB-1
AICPA Guidelines for Prospective Financial Information	MRB-2
Prior Year's Forecast to Actual Variance as a Percent of Operating Revenue	MRB-3

Docket No. 001148-EI
M.R. Bell Exhibit No.___
Document MRB-1, Page 1 of 2
Overview of Financial Forecasting Process

FLORIDA POWER & LIGHT COMPANY
REGULATORY FILING DATA REPOSITORY
PROCESS FLOWCHART



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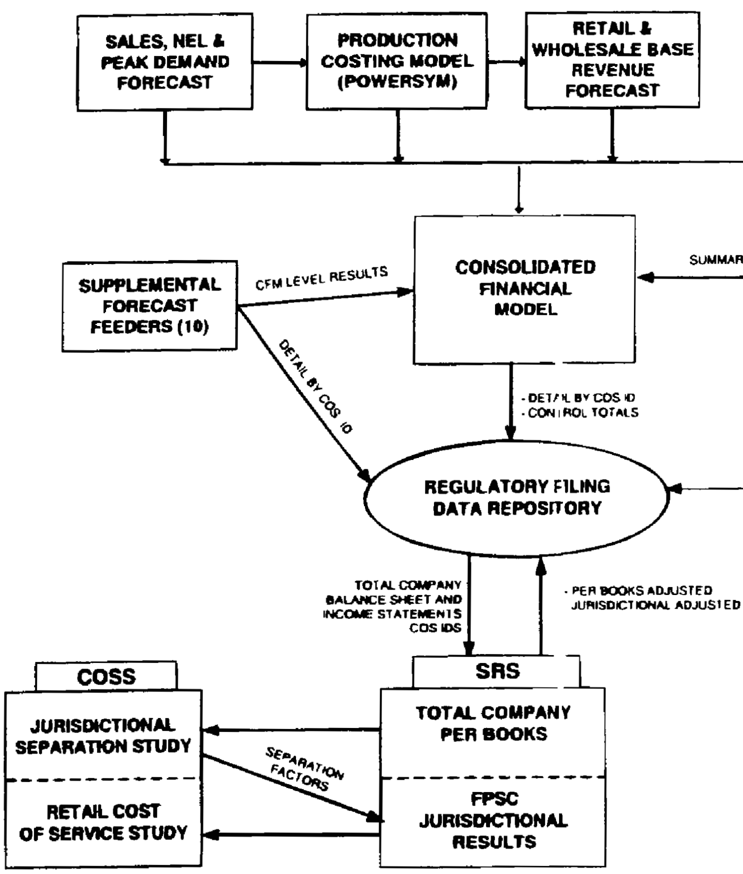
ATTACHMENT 9 OF 9
PAGE 1 OF 1

FLORIDA POWER & LIGHT COMPANY
FORECASTING PROCESS OVERVIEW



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American Institute of Certified Public Accountants' Guidelines for Prospective Financial Information

1. Financial forecasts should be prepared in good faith.
2. Financial forecasts should be prepared with appropriate care by qualified personnel.
3. Financial forecasts should be prepared using appropriate accounting principles.
4. The process used to develop financial forecasts should provide for seeking out the best information that is reasonably available at the time.
5. The information used in preparing financial forecasts should be consistent with the plans of entity.
6. Key factors should be identified as a basis for assumptions.
7. Assumptions used in preparing financial forecasts should be appropriate.
8. The process used to develop financial forecasts should provide the means to determine the relative effect of variations in the major underlying assumptions.
9. The process used to develop financial forecasts should provide adequate documentation of both the financial forecasts and the process used to develop them.
10. The process used to develop financial forecasts should include, where appropriate, the regular comparison of the financial forecasts with attained results.
11. The process used to prepare financial forecasts should include adequate review and approval by the responsible party at the appropriate levels of authority.

Prior Years' Forecast to Actual Variances as a Percent of Operating Revenue

Line No.	Year Forecasted	Weighted Average Effect Actual Over (Under) Forecast		
		1998	1999	2000
1.	OPERATING REVENUE, excluding cost recovery clause revenue (Notes 1,3,4)	4.0%	0.2%	0.1%
	OPERATING EXPENSES:			
2.	Recovery clauses (Note 1)			
3.	Income taxes (Note 2)			
4.	Operation and maintenance	0.0%	0.4%	0.7%
5.	Depreciation and amortization (Notes 5, 6,7)	4.5	(7.3)	1.5
6.	Taxes other than income	(0.3)	0.1	(0.4)
7.	Preferred stock dividends	-	-	-
8.	Interest	(0.1)	(0.1)	0.0
9.	Weighted cost of service variance for lines 4-8	4.1%	(6.9)%	1.8%

NOTE 1 Excludes recovery clause expenses as they are recovered via separate approved mechanisms.

NOTE 2: No variance shown for income taxes because this cost is a function of the return on common equity. See Note 3.

NOTE 3 In 1998, unusually warm weather was experienced, so a pro forma weather normalization adjustment was made to December 1998 Earnings Surveillance Report of approximately $78 million. If this adjustment had been made, revenues would have been 2% over forecast.

NOTE 4 On April 15, 1999, FPSC Order No. PSC-99-0519-AS-EI went into effect and it stipulated that FPL would have a base rate reduction of $350 million per year and would refund revenues over certain levels to customers. 1999 comparisons have been made as if $285 million revenue reduction and refund had been forecast.

NOTE 5 1998 includes the impact additional amortization under the Special Amortization Docket. If the variance in the Special Amortization Docket ($150 million) was excluded, the variance would be 0.5%.

NOTE 6 1999 includes the impact additional amortization of the Special Amortization Docket and FPSC Order No. PSC-99-0519-AS-EI. If the variance in the Special Amortization Docket and FPSC Order No. PSC-99-0519-AS-EI ($274 million) was excluded, the variance would be 0.0%.

NOTE 7 2000 includes the impact additional amortization of the Special Amortization Docket and FPSC Order No. PSC-99-0519-AS-EI. If the variance in the Special Amortization Docket and FPSC Order No. PSC-99-0519-AS-EI ($51 million) was excluded, the variance would be 0.0%.