

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

RECEIVED-FPSC

02 FEB 20 PM 4:37

In re: Review of Florida Power Corporation's Earnings, Including Effects of Proposed Acquisition of Florida Power Corporation by Carolina Power & Light

DOCKET NO. 000824-EI

Submitted for Filing: February 20, 2002

COMMISSION CLERK

FLORIDA POWER CORPORATION'S NOTICE OF FILING AN ADDENDUM TO ITS PREHEARING STATEMENT

Florida Power Corporation ("Florida Power" or "the Company") hereby gives notice of filing an addendum to the Company's Prehearing Statement filed on February 18, 2002. The attached addendum identifies and summarizes the adjustments made to Florida Power's originally filed MFRs that are now reflected in the Company's prehearing position statements. This addendum is being provided for the benefit of the parties.

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to all counsel listed on the attached service list via U.S. Mail this 20th day of February, 2002.

Respectfully submitted,

[Handwritten signature]

James A. McGee
FLORIDA POWER CORPORATION
Post Office Box 14042
St. Petersburg, FL 33733-4042
Telephone: (727) 820-5184
Facsimile: (727) 820-5519

Gary L. Sasso
James Michael Walls
Jill H. Bowman
W. Douglas Hall
CARLTON FIELDS, P. A.
Post Office Box 2861
St. Petersburg, FL 33731
Telephone: (727) 821-7000
Facsimile: (727) 822-3768
Attorneys for Florida Power Corporation

- AUS
CAF
CMP
COM 5
CTR
ECP
GCL 1
OPC
MMS
SEC 1
OTH

DOCUMENT NUMBER-DATE

02027 FEB 20 02

FPSC-COMMISSION CLERK

DOCKET NO. 000824 – SERVICE LIST

Mary Anne Helton, Esquire
Adrienne Vining, Esquire
Bureau Chief, Electric and Gas
Division of Legal Services
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Phone: (850) 413-6096
Fax: (850) 413-6250
Email: mhelton@psc.state.fl.us

Jack Shreve, Esquire
Public Counsel
John Roger Howe, Esquire
Charles J. Beck, Esquire
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison St., Room 812
Tallahassee, FL 32399-1400
Phone: (850) 488-9330
Fax: (850) 488-4491
Attorneys for the Citizens of the State of
Florida

Daniel E. Frank
Sutherland Asbill & Brennan LLP
1275 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2415
Telephone: (202) 383-0838
Fax: (202) 637-3593
Counsel for Walt Disney World Co.

Russell S. Kent, Esq.
Sutherland Asbill & Brennan LLP
2282 Killearn Center Blvd.
Tallahassee, FL 32308-3561
Telephone: (850) 894-0015
Fax: (850) 894-0030
Counsel for Walt Disney World Co.

Thomas A. Cloud, Esq.
Gray, Harris & Robinson, P.A.
301 East Pine Street, Ste. 1400
P.O. Box 3068
Orlando, FL 32801
Phone: (407) 244-5624
Fax: (407) 244-5690
Attorneys for Publix Super Markets, Inc.

John W. McWhirter, Jr., Esquire
McWhirter, Reeves, McGlothlin, Davidson,
Decker, Kaufman, Arnold & Steen, P.A.
400 North Tampa Street, Suite 2450
Tampa, FL 33601-3350
Telephone: (813) 224-0866
Fax: (813) 221-1854
Counsel for Florida Industrial Power Users
Group

Joseph A. McGlothlin, Esquire
Vicki Gordon Kaufman, Esquire
McWhirter, Reeves, McGlothlin, Davidson,
Decker, Kaufman, Arnold & Steen, P.A.
117 South Gadsden
Tallahassee, FL 32301
Telephone: (850) 222-2525
Fax: (850) 222-5606
Counsel for Florida Industrial Power Users
Group and Reliant Energy Power Generation,
Inc.

Michael B. Twomey, Esq.
8903 Crawfordville Road (32305)
P.O. Box 5256
Tallahassee, FL 32314-5256
Phone: (850) 421-9530
Fax: (850) 421-8543
Counsel for Sugarmill Woods Civic
Association, Inc. and Buddy L. Hansen

Addendum to FPC Prehearing Statement - Summary of Adjustments Made to Initial MFR Filings
 (In Thousands)

Line No	(A) (Description)	(B) System Fully Adj'd As Filed	(C) through (U) Adjustments																	(V) Fully Adjusted System			
			(C) Sales Forecast	(D) Pension	(E) Security	(F) RTO Costs	(G) Nuc M&S	(H) Last Core NF	(I) Nuc Deco-WH	(J) Nuc Deco	(K) Fossil Disab	(L) FAS 106	(M) Exec Benefit	(N) Aircraft Exp	(O) Lobby NEI	(P) EPIS Error	(Q) Deprn Error	(R) Oth A/R Error	(S) 912 To Alloc		(T) Busn Off	(U) Subtotal	
1	Operating Revenues																						
2	Sales of Electric Energy	\$ 1,511,261	(14,553)																		(14,553)	\$ 1,496,708	
3	Other Operating Revenues	36,786	126																		126	36,912	
4	Total Operating Revenues	1,548,047	(14,427)																		(14,427)	1,533,620	
5																							
6	Operating Expenses																						
7	Fuel and Net Interchange	-						(73)													(73)	(73)	
8	Other Operation and Maintenance Expense	549,799	31,850	1,300	2,373	(129)				(658)	(81)	(1,400)	(26)							33,230	583,029		
9	Depreciation and Amortization	347,624		1,400				517	(1,378)	1,313					36	(2,472)			(419)	(1,003)	346,621		
10	Taxes Other than Income	98,585		200																200	98,785		
11	Current/Deferred Income Taxes - Federal and State	175,002	(5,585)	(12,288)	(1,118)	(915)	50	28	(189)	532	(506)	254	31	540	10	(14)	954	-	-	162	(18,046)	158,957	
12	Charge Equivalent to Investment Tax Credit	(7,752)																				(7,752)	
13	(Gain)/Loss on Disposition of Utility Property	-																				-	
14	(Gain)/Loss on Recaptured Bonds	-																				-	
15	Regulatory Practices Reconciliation	-																				-	
16	Total Operating Expenses	1,163,268	(5,565)	19,564	1,781	1,458	(79)	(45)	318	(846)	807	(404)	(50)	(860)	(16)	22	(1,518)	-	-	(257)	14,308	1,177,576	
17	Net Operating Income	\$ 384,779	(6,652)	(19,564)	(1,781)	(1,458)	79	45	(318)	846	(607)	404	50	860	16	(22)	1,518	-	-	257	(28,735)	\$ 356,044	
18																							
19	Elec Plant in Service	\$ 7,465,126			11,300											(771)					10,529	\$ 7,475,655	
20	Acc Provision for Depreciation and Amortization	3,722,787			700						657						(4,333)				(219)	(3,166)	3,719,601
21	Net Plant in Service	3,742,339			10,600						(657)						(771)	4,333			210	13,715	3,756,054
22	Construction Work in Progress	82,875																					82,875
23	Elec Plant Held for Future Use	8,275																					8,275
24	Nuclear Fuel (Net)	53,298							12												12	53,310	
25	Net Utility Plant	3,886,767			10,600				12			(657)				(771)	4,333				210	13,727	3,900,514
26	Working Capital Allowance	96,445	(688)	(15,925)	4,000	(1,876)	17					329								(7,264)	(21,407)	75,038	
27	Unamortized Gain on Sale of Property	-																					-
28	Regulatory Practices Reconciliation	-																					-
29	Rate Base Total	\$ 3,983,232	(688)	(15,925)	14,600	(1,876)	17	12	-	-	(657)	329	-	-	-	(771)	4,333	(7,264)	-	210	(7,680)	\$ 3,975,552	

Addendum to FPC Prehearing Statement - Summary of Adjustments Made to Initial MFR Filings
 (In Thousands)

Line No	(A) (Description)	(B) Retail Fully Adj'd As Filed	(C)-(U) Adjustments																		(V) Fully Adjusted Retail		
			(C) Sales Forecast	(D) Pension	(E) Security	(F) RTO Costs	(G) Nuc M&S	(H) Last Core NF	(I) Nuc Deco-WH	(J) Nuc Deco	(K) Fossil Disrn	(L) FAS 106	(M) Exec Benefit	(N) Aircraft Exp	(O) Lobby NEI	(P) EPIS Error	(Q) Depn Error	(R) Oth A/R Error	(S) 912 70 Alloc	(T) Buen Off		(U) Subtotal	
1	Operating Revenues																				(14,293)	\$ 1,349,680	
2	Sales of Electric Energy	\$ 1,363,973	(14,293)																		142	70,971	
3	Other Operating Revenues	70,829																				142	
4	Total Operating Revenues	1,434,802	(14,151)																			(14,151)	1,420,651
5																							
6	Operating Expenses																						
7	Fuel and Net Interchange	4,412						(72)														(72)	4,340
8	Other Operation and Maintenance Expense	498,721		30,083	1,200	1,723	(100)				(621)	(77)	(1,322)	(24)			(2,744)				28,117	526,838	
9	Depreciation and Amortization	323,658			1,200				(1,078)	1,680					38	(2,082)					(417)	(659)	322,999
10	Taxes Other than Income	92,870			176										51							227	93,097
11	Current/Deferred Income Taxes - Federal and State	164,472	(5,459)	(11,604)	(997)	(665)	39	28		416	(648)	240	30	510	9	(34)	803		1,058	161	(16,114)	148,358	
12	Charge Equivalent to Investment Tax Credit	(7,140)																					(7,140)
13	(Gain)/Loss on Disposition of Utility Property	(1,742)																					(1,742)
14	(Gain)/Loss on Recaptured Bonds	-																					-
15	Regulatory Practices Reconciliation	-																					-
16	Total Operating Expenses	1,075,251	(5,459)	16,478	1,579	1,068	(61)	(44)		(662)	1,032	(382)	(47)	(812)	(15)	55	(1,279)		(1,686)	(256)	11,499	1,086,751	
17	Net Operating Income	\$ 359,551	(8,682)	(18,478)	(1,579)	(1,058)	61	44		662	(1,032)	382	47	812	15	(55)	1,279		1,686	256	(25,650)	\$ 333,900	
18	Less Return on Non-Common Equity Costs	190,075	(17)	(378)	345	(47)	1	0		(23)	8				(154)	105	(181)			6	(335)	99,741	
19	NCI Available for Common Equity	\$ 259,475	(8,675)	(18,101)	(1,924)	(1,012)	61	44		682	(1,009)	374	47	812	15	100	1,173	181	1,686	250	(25,316)	\$ 234,160	
20																							
21	Elec Plant in Service	\$ 6,876,125			9,548											(5,373)						4,175	\$ 6,880,300
22	Acc Provision for Depreciation and Amortization	3,414,348			608					840					29	(3,864)					(209)	(2,596)	3,411,752
23	Net Plant in Service	3,461,777			8,940					(840)						(5,402)	3,864				209	6,771	3,468,548
24	Construction Work in Progress	72,527																					72,527
25	Elec Plant Held for Future Use	6,426																					6,426
26	Nuclear Fuel (Net)	47,554						11														11	47,565
27	Net Utility Plant	3,588,284			8,940			11		(840)						(5,402)	3,864				209	6,782	3,595,065
28	Working Capital Allowance	77,213	(627)	(13,837)	3,884	(1,708)	22				300				(254)		(6,615)					(19,035)	58,178
29	Unauthorized Gain on Sale of Property	-																					-
30	Regulatory Practices Reconciliation	-																					-
31	Rate Base Total	\$ 3,665,497	(627)	(13,837)	12,624	(1,708)	22	11		(840)	300				(5,656)	3,864	(6,615)			209	(12,254)	\$ 3,653,243	
32																							
33	Common Equity	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206	1,966,206
34	Achieved Return on Common Equity	0																					0
35	Total Revenue Deficiency (Excess) Calculated	\$ (4)	14,079	27,930	4,586	1,453	(97)	(70)		(1,080)	1,549	(575)	(77)	(1,325)	(24)	(816)	(1,468)	(1,058)	(2,750)	(385)	39,883	\$ 38,879	



Addendum to FPC Prehearing Statement - Summary of Adjustments Made to Initial MFR Filings
(In Thousands)

Line No	(A) (Description)	(B) Retail Fully Adj'd As Filed	(C) - (U) Adjustments																	(V) Fully Adjusted Retail		
			(C) Sales Forecast	(D) Pension	(E) Security	(F) RTO Costs	(G) Nuc M&S	(H) Leak Core NF	(I) Nuc Deco-VH	(J) Nuc Deco	(K) Fossil Dism	(L) FAS 106	(M) Exec Benefit	(N) Aircraft Exp	(O) Lobby NEI	(P) EPIS Error	(Q) Depn Error	(R) Oth A/R Error	(S) 912.70 Alloc		(T) Busn Off	(U) Subtotal
1																						
2	Adjusted Rate Base	\$ 3,665,497	(827)	(15,837)	12,624	(1,708)	22	11	-	(840)	300	-	-	-	(5,656)	3,864	(6,616)	-	209	(12,254)	\$ 3,653,243	
3																						
4	Rate of Return on Rate Base Requested	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	9.809%	
5																						
6	Net Operating Income Requested	359,549	(61)	(1,357)	1,236	(168)	2	1	-	(82)	29	-	-	-	(555)	379	(649)	-	20	(1,202)	358,347	
7																						
8	Adjusted Net Operating Income	359,551	(8,692)	(18,478)	(1,579)	(1,058)	61	44	-	662	(1,032)	382	47	812	15	(56)	1,279	-	1,686	296	(26,650)	333,900
9																						
10	Net Operating Income Deficiency (Excess)	(2)	8,631	17,121	2,817	891	(59)	(43)	-	(662)	950	(352)	(47)	(812)	(15)	(500)	(900)	(649)	(1,686)	(236)	24,448	24,448
11																						
12	Earned Rate of Return	9.81%																				9.14%
13																						
14	Net Operating Income Multiplier	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313	1.6313
15																						
16	Total Revenue Deficiency (Excess) Calc'd	\$ (4)	14,079	27,930	4,596	1,453	(97)	(70)	-	(1,080)	1,549	(575)	(77)	(1,325)	(24)	(815)	(1,468)	(1,058)	(2,750)	(385)	39,883	\$ 39,879

Addendum to FPC Prehearing Statement - Summary of Adjustments Made to Initial MFR Filings
Explanation of Adjustments

Col Ref	Adjustment	Description	Source
(C)	Sales Forecast	Adjust for revised 2002 sales forecast.	Direct Testimony of Mark A Myers & J. B Crisp
(D)	Pension	Adjust Pension Benefit for current 2002 actuarial study	Rebuttal Testimony of Robert H Bazemore
(E)	Security	Adjust for increased security costs due to September 11, 2001 events	Direct Testimony & exhibit MAM-5 of Mark A Myers
(F)	RTO Costs	Adjust for RTO start-up costs	Direct Testimony & exhibit MAM-5 of Mark A Myers
(G)	Nuc M&S	Revise amortization of end-of-life nuclear M&S inventory cost in MFRs to comply with FPSC Order	Order PSC-02-0055-PAA-EI
(H)	Last Core NF	Revise amortization of Last Core Nuclear Fuel cost in MFRs to comply with FPSC Order.	Order PSC-02-0055-PAA-EI
(I)	Nuc Deco-WH	Correct error in original System amount filed in MFRs for Nuclear Decommissioning	MFRs - Section E - Rate Schedules
(J)	Nuc Deco	Revise Retail Nuclear Decommissioning accrual in MFRs to comply with FPSC Order.	Order PSC-02-0055-PAA-EI
(K)	Fossil Dism	Adjust fossil dismantlement cost in MFRs to comply with FPSC Order	Order PSC-01-2386-PAA-EI
(L)	FAS 106	Adjust Employee Benefits (FAS 106) for updated actuarial study.	Rebuttal Testimony of Robert H Bazemore
(M)	Exec Benefit	Remove projected 2002 executive benefits expense of \$81,250 for Change in Control Payments.	Rebuttal Testimony of Robert H Bazemore
(N)	Aircraft Exp	Remove \$1.4 M in costs allocated to FPC for executive use of aircraft.	Rebuttal Testimony of Robert H Bazemore
(O)	Lobby NEI	Remove \$25,600 of Nuclear Energy Institute Dues associated with lobbying efforts.	Rebuttal Testimony of Mark A Myers
(P)	EPIS Error	Correct MFR B-8a for 2002 for reallocation of beginning Plant Balances and Additions within Primary/FERC accounts.	Revised MFR B8-a
(Q)	Depn Error	Correct MFR B-8b and C-34 for 2002 for errors in the development of the composite depreciation rates used to calculate depreciation expense.	Revised MFR B8-b and C-34
(R)	Oth A/R Error	Remove non-utility Energy Supply and Energy Delivery receivables from Other Accounts Receivable These costs were inadvertently included in the MFRs.	MFR B-1
(S)	912 70 Alloc	Correct jurisdictional separation of costs associated with Power Marketing efforts.	Rebuttal Testimony of William Slusser
(T)	Busn Off	Remove \$419,000 of depreciation expense for closure of business offices.	Rebuttal Testimony of Mark A Myers