

ORIGINAL

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March 14, 2002

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**-VIA HAND DELIVERY-**

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

RECEIVED FPSC  
02 MAR 14 AM 8:06  
COMMISSION  
CLERK

**Re: Docket No. 020001-EI**  
**Fuel and Purchased Power Cost Recovery Clause**  
**With Generating Performance Incentive Factor**

Dear Ms. Bayó:

Enclosed for filing are the original and fifteen (15) copies of the Petition of Florida Power & Light Company for Adjustment to Its Fuel Adjustment Factors, together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows 2000, and the word processing software in which the document appears is Word 2000.

If there are any questions regarding this transmittal, please contact me at 305-577-2939.

Very truly yours,

*Elizabeth C. Daley*  
for John T. Butler, P.A.

- AUS \_\_\_\_\_
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
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- MMS \_\_\_\_\_
- SEC \_\_\_\_\_
- OTH \_\_\_\_\_

Enclosure  
cc: Counsel for Parties of Record (w/enclosures)

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02943 MAR 14 8

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

IN RE: Fuel and Purchased Power )  
Cost Recovery Clause With )  
Generating Performance Incentive )  
Factor )  
\_\_\_\_\_ )

DOCKET NO. 020001-EI  
FILED: March 14, 2002

**PETITION OF FLORIDA POWER & LIGHT COMPANY  
FOR ADJUSTMENT TO ITS FUEL ADJUSTMENT FACTORS**

Consistent with, and to implement the terms of, the Stipulation and Settlement that the Commission has been requested to approve contemporaneously in Docket No. 001148-EI, Florida Power & Light Company (“FPL”) hereby Petitions the Commission to approve a \$200 million reduction in its currently authorized levelized fuel adjustment factor. This reduction will have the effect of reducing the levelized fuel adjustment factor from 2.860 cents per kWh to 2.630 cents per kWh (see Appendix A, page 1), and reducing time differentiated rates from 3.138 cents per kWh to 2.915 cents per kWh for on-peak periods and from 2.735 cents per kWh to 2.502 cents per kWh for off-peak periods (see Appendix A, page 2). The fuel adjustment factors by rate group that are being requested are provided as shown in Appendix A, page 3. FPL requests that these new fuel factors become effective April 15, 2002, and to continue these charges in effect until modified by subsequent order of this Commission. FPL requests that this matter be placed on the March 22, 2002, special agenda conference for approval and that a final order be entered on an expedited basis reflecting said approval. In support of this Petition, FPL states:

1. FPL is a utility subject to the jurisdiction of the Florida Public Service Commission pursuant to chapter 366, Florida Statutes. Its principal offices are located at 9250 West Flagler Street, Miami, Florida 33174.

2. Copies of all notices and correspondence or other documents required to be served on FPL or other parties to this proceeding should be forwarded to:

John T. Butler, P.A.  
Steel Hector & Davis LLP  
200 South Biscayne Blvd.  
Suite 4000  
Miami, FL 33131-2398

-and-

William G. Walker, III  
Vice President  
Florida Power & Light Company  
215 South Monroe Street, Suite 810  
Tallahassee, Florida 32301-1859

3. In Docket No. 001148-EI, a Stipulation and Settlement has been filed with the Commission and will be considered at a March 22, 2002, special agenda conference. FPL has agreed in the Stipulation and Settlement that, “[o]n April 15, 2002, FPL shall effect a mid-course correction of its Fuel Cost Recovery Clause to reduce the fuel clause factor based on projected over-recoveries, in the amount of \$200 million, for the remainder of calendar year 2002.”

4. The revised fuel adjustment factors reflected in Appendix A hereto are designed to result in the \$200 million reduction required under the Stipulation and Settlement.

5. In order to allow the revised fuel adjustment factors to commence on April 15, 2002, as contemplated by the Stipulation and Settlement, FPL requests that this

matter be approved at the Commission's March 22, 2002, agenda conference and that a final order be entered promptly thereafter reflecting that approval.

6. Appendix A, pages 1 - 3 attached hereto is incorporated herein by reference.

WHEREFORE, FPL requests that its levelized fuel cost recovery factors be decreased to 2.630 cents per kWh for non-time differentiated rates, and 2.915 per kWh and 2.502 cents per kWh for on-peak and off-peak time differentiated rates, and that the Commission enter a final order on an expedited basis approving application of the new factors to become effective on April 15, 2002, and to continue in effect until modified by a subsequent order of this Commission.

DATED this 14th day of March, 2002.

Respectfully submitted,

R. Wade Litchfield, Esq.  
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By: 

John T. Butler, P.A.  
Fla. Bar No. 283479

**CERTIFICATE OF SERVICE  
DOCKET NO. 020001-EI**

**I HEREBY CERTIFY** that a true and correct copy of Petition of Florida Power & Light Company for Adjustment to Its Fuel Adjustment Factors has been furnished by United States Mail this 14<sup>th</sup> day of March, 2002, to the following:

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By: Elizabeth C. Daley  
for JOHN T. BUTLER, P.A.

**APPENDIX A  
PAGES 1 THROUGH 3**

**FLORIDA POWER & LIGHT COMPANY  
FUEL COST RECOVERY  
DOCKET NO. 020001-EI  
APRIL 15, 2002 THROUGH DECEMBER 2002**

## FLORIDA POWER &amp; LIGHT COMPANY

FUEL AND PURCHASED POWER  
COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: APRIL 2002 - DECEMBER 2002

	(a)	(b)	(c)
	DOLLARS	MWH	c/KWH
1 Fuel Cost of System Net Generation (E3)	\$1,616,190,791	64,628,247	2.5007
2 Nuclear Fuel Disposal Costs (E2)	16,775,833	18,056,004	0.0929
3 Fuel Related Transactions (E2)	10,574,855	0	0.0000
3a Security Costs (E3)	1,395,000		
4 Fuel Cost of Sales to FKEC / CKW (E2)	(24,113,883)	(802,032)	3.0066
5 TOTAL COST OF GENERATED POWER	\$1,620,822,596	63,826,215	2.5394
6 Fuel Cost of Purchased Power (Exclusive of Economy) (E7)	132,472,110	8,725,804	1.5182
7 Energy Cost of Sched C & X Econ Purch (Florida) (E9)	20,006,805	710,000	2.8179
8 Energy Cost of Other Econ Purch (Non-Florida) (E9)	29,945,000	810,000	3.6969
9 Energy Cost of Sched E Economy Purch (E9)	0	0	0.0000
10 Capacity Cost of Sched E Economy Purchases	0	0	0.0000
11 Mission Settlement (E2)	2,340,073	0	0.0000
11a Okeelanta/Osceola Settlement (E2)	\$8,173,955	0	0.0000
12 Payments to Qualifying Facilities (E8)	111,113,300	5,062,026	2.1950
13 TOTAL COST OF PURCHASED POWER	\$304,051,243	15,307,830	1.9862
14 TOTAL AVAILABLE KWH (LINE 5 + LINE 13)		79,134,045	
15 Fuel Cost of Economy Sales (E6)	(51,048,500)	(1,315,000)	3.8820
16 Gain on Economy Sales (E6A)	0	0	0.0000
17 Fuel Cost of Unit Power Sales (SL2 Partpts) (E6)	(1,104,120)	(359,712)	0.3069
18 Fuel Cost of Other Power Sales (E6)	0	0	0.0000
18a Revenues from Off-System Sales	(12,641,614)	(1,674,712)	0.7549
19 TOTAL FUEL COST AND GAINS OF POWER SALES	(\$64,794,234)	(1,674,712)	3.8690
19a Net Inadvertent Interchange	0	0	
20 TOTAL FUEL & NET POWER TRANSACTIONS (LINE 5 + 13 + 19 + 19a)	\$1,860,079,605	77,459,333	2.4014
21 Net Unbilled Sales	15,678,660 **	652,907	0.0219
22 Company Use	5,580,239 **	232,378	0.0078
23 T & D Losses	120,905,174 **	5,034,857	0.1690
24 SYSTEM MWH SALES (Excl sales to FKEC / CKW)	\$1,860,079,605	71,539,192	2.6001
25 Wholesale MWH Sales (Excl sales to FKEC / CKW)	\$5,387,535	207,203	2.6001
26 Jurisdictional MWH Sales	\$1,854,692,070	71,331,989	2.6001
27 Jurisdictional Loss Multiplier	-	-	1.00052
28 Jurisdictional MWH Sales Adjusted for Line Losses	\$1,855,656,510	71,331,989	2.6014
29 FINAL TRUE-UP EST/ACT TRUE-UP JAN 00 - DEC 00 JAN 01 - DEC 01 \$259,002,688 \$13,794,067 (9 months) underrecovery overrecovery	183,906,466	71,331,989	0.2578
29b MIDCOURSE CORRECTION APR-DEC 02 overrecovery	200,000,000	71,331,989	0.2804
30 TOTAL JURISDICTIONAL FUEL COST	\$1,839,562,976	71,331,989	2.5788
31 Revenue Tax Factor			1.01597
32 Fuel Factor Adjusted for Taxes			2.6200
33 GPIF ***	\$6,753,535	71,331,989	0.0095
34 Fuel Factor including GPIF (Line 32 + Line 33)			2.6295
35 FUEL FACTOR ROUNDED TO NEAREST .001 CENTS/KWH			2.630

\*\* For Informational Purposes Only

\*\*\* Calculation Based on Jurisdictional KWH Sales



DETERMINATION OF FUEL RECOVERY FACTOR  
TIME OF USE RATE SCHEDULES

APRIL 2002 - DECEMBER 2002

NET ENERGY FOR LOAD (%)

		FUEL COST (%)
ON PEAK	30.93	34.27
OFF PEAK	69.07	65.73
	100.00	100.00

FUEL RECOVERY CALCULATION

	TOTAL	ON-PEAK	OFF-PEAK
1 TOTAL FUEL & NET POWER TRANS	\$1,860,079,605	\$637,449,280	\$1,222,630,324
2 MWH SALES	71,539,194	22,127,073	49,412,121
3 COST PER KWH SOLD	2.6001	2.8809	2.4744
4 JURISDICTIONAL LOSS FACTOR	1.00052	1.00052	1.00052
5 JURISDICTIONAL FUEL FACTOR	2.6014	2.8824	2.4756
6 TRUE-UP	(0.0226)	(0.0226)	(0.0226)
7			
8 TOTAL	2.5788	2.8598	2.4530
9 REVENUE TAX FACTOR	1.01597	1.01597	1.01597
10 RECOVERY FACTOR	2.6200	2.9055	2.4922
11 GPIF	0.0095	0.0095	0.0095
12 RECOVERY FACTOR including GPIF	2.6295	2.9150	2.5017
13 RECOVERY FACTOR ROUNDED TO NEAREST .001 c/KWH	2.630	2.915	2.502

HOURS: ON-PEAK	24.73 %
OFF-PEAK	75.27 %

FLORIDA POWER & LIGHT COMPANY

SCHEDULE E - 1E

FUEL RECOVERY FACTORS - BY RATE GROUP  
(ADJUSTED FOR LINE/TRANSFORMATION LOSSES)

APRIL 2002 - DECEMBER 2002

(1) GROUP	(2) RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) FUEL RECOVERY FACTOR
A	RS-1, GS-1, SL-2	2.630	1.00210	2.635
A-1*	SL-1, OL-1, PL-1	2.568	1.00210	2.573
B	GSD-1	2.630	1.00202	2.635
C	GSLD-1 & CS-1	2.630	1.00078	2.632
D	GSLD-2, CS-2, OS-2 & MET	2.630	0.99429	2.614
E	GSLD-3 & CS-3	2.630	0.95233	2.504
A	RST-1, GST-1 ON-PEAK OFF-PEAK	2.915 2.502	1.00210 1.00210	2.921 2.507
B	GSDT-1 ON-PEAK CILC-1(G) OFF-PEAK	2.915 2.502	1.00202 1.00202	2.921 2.507
C	GSLDT-1 & ON-PEAK CST-1 OFF-PEAK	2.915 2.502	1.00078 1.00078	2.917 2.504
D	GSLDT-2 & ON-PEAK CST-2 OFF-PEAK	2.915 2.502	0.99429 0.99429	2.898 2.487
E	GSLDT-3,CST-3, ON-PEAK CILC -1(T) OFF-PEAK & ISST-1(T)	2.915 2.502	0.95233 0.95233	2.776 2.382
F	CILC -1(D) & ON-PEAK ISST-1(D) OFF-PEAK	2.915 2.502	0.99331 0.99331	2.895 2.485

\* WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK