

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 020001-EI
FLORIDA POWER & LIGHT COMPANY**

APRIL 1, 2002

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

JANUARY 2001 THROUGH DECEMBER 2001

TESTIMONY & EXHIBITS OF:

K. M. DUBIN

DOCUMENT NUMBER-DATE

03685 APR-18

FPSC-COMMISSION CLERK

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF KOREL M. DUBIN**

4 **DOCKET NO. 020001-EI**

5 **April 1, 2002**

6

7

8 **Q. Please state your name, business address, employer and position.**

9 A. My name is Korel M. Dubin, and my business address is 9250 West Flagler
10 Street, Miami, Florida, 33174. I am employed by Florida Power & Light
11 Company (FPL) as the Manager of Regulatory Issues in the Regulatory
12 Affairs Department.

13

14 **Q. Have you previously testified in this docket?**

15 A. Yes, I have.

16

17 **Q. What is the purpose of your testimony in this proceeding?**

18 A. The purpose of my testimony is to present the actual Fuel Cost Recovery
19 Clause (FCR) and Capacity Cost Recovery Clause (CCR) Net True-Up
20 amounts for the period January 2001 through December 2001 for the
21 Commission's review and approval. The Net True-Up for the FCR is an
22 overrecovery, including interest, of \$103,006,558. The Net True-Up for the
23 CCR is an underrecovery, including interest, of \$2,528,058.

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

3 A. Yes, I have. It consists of two appendices. Appendix I contains the FCR
4 related schedules and Appendix II contains the CCR related schedules. FCR
5 Schedules A-1 through A-9 for the January 2001 through December 2001
6 period have been filed monthly with the Commission and served on all
7 parties. These schedules are incorporated herein by reference.

8

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

11 A. Unless otherwise indicated, the actuals data is taken from the books and
12 records of FPL. The books and records are kept in the regular course of our
13 business in accordance with generally accepted accounting principles and
14 practices, and provisions of the Uniform System of Accounts as prescribed by
15 this Commission.

16

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

18

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

20 A. Appendix I, page 3, entitled "Summary of Net True-Up," shows the calculation
21 of the Net True-Up for the period January 2001 through December 2001, an
22 overrecovery of \$103,006,558. The calculation of the true-up amount for the
23 period follows the procedures established by this Commission as set forth on

1 Commission Schedule A-2 "Calculation of True-Up and Interest Provision."

2

3 The actual End-of-Period overrecovery for the period January 2001 through
4 December 2001 of \$116,800,625 is shown on line 1. The estimated/actual
5 End-of-Period overrecovery for the same period of \$13,794,067 is shown on
6 line 2. This amount was included in the calculation of the FCR factor for the
7 period January 2002 through December 2002. Line 1 less line 2 results in the
8 Net True-Up for the period January 2001 through December 2001 shown on
9 line 3, an overrecovery of \$103,006,558.

10

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

13 A. Yes. Appendix I, page 6 shows the actual fuel costs and revenues compared
14 to the estimated/actuals for the period January 2001 through December 2001.

15

16 **Q. What was the variance in fuel costs?**

17 A. The final overrecovery of \$103,006,558 for the period January 2001 through
18 December 2001 is primarily due to an approximate \$129.1 million, or 4.9%,
19 decrease in Total Fuel Costs and Net Power Transactions (Appendix I, page
20 6, line A5), which was partially offset by an approximate \$25.3 million, or
21 0.8%, decrease in Jurisdictional Fuel Revenues (Appendix I, page 6, line D1).

22

23 The \$129.1 million variance in Jurisdictional Fuel Costs and Net Power

1 Transactions is primarily due to a \$121.1 million decrease in the Fuel Cost of
2 System Net Generation, a \$0.8 million variance in Revenues from Off-System
3 Sales, a \$0.6 million decrease in Fuel Cost of Purchased Power, a \$16.5
4 million decrease in Energy Payments to Qualifying Facilities, and a \$4.8
5 million decrease in the Energy Cost of Economy Purchases. These amounts
6 are partially offset by a \$14.8 million variance in the Fuel Cost of Power Sold.
7

8 The \$121.1 million, or 5.2%, decrease in the Fuel Cost of System Net
9 Generation is primarily due to a \$77 million, or 7.0%, gas cost variance and a
10 \$33 million, or 3.2%, oil cost variance. These oil and gas cost variances are
11 driven by lower than projected market prices. The natural gas price averaged
12 \$0.53 per mmbtu, or 10%, lower than projected. Oil was \$0.11 per mmbtu, or
13 2.7%, lower than projected.
14

15 **Q. What was the variance in retail (jurisdictional) Fuel Cost Recovery**
16 **revenues?**

17 A. As shown on Appendix I, page 6, line D1, actual jurisdictional Fuel Cost
18 Recovery revenues, net of revenue taxes, were \$25.3 million, or 0.8%, lower
19 than the estimated/actual projection. This decrease was due to lower than
20 projected jurisdictional sales, which were 932,938,649 kWh, or 1.0%, lower
21 than the estimated/actual projection.
22
23

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

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

9

10 **CAPACITY COST RECOVERY CLAUSE (CCR)**

11

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

13 A. Appendix II, page 3, entitled "Summary of Net True-Up Amount" shows the
14 calculation of the Net True-Up for the period January 2001 through December
15 2001, an underrecovery of \$2,528,058, which I am requesting to be included
16 in the calculation of the CCR factors for the January 2003 through December
17 2003 period.

18

19 The actual End-of-Period overrecovery for the period January 2001 through
20 December 2001 of \$22,475,219 (shown on line 1) less the estimated/actual
21 End-of-Period overrecovery for the same period of \$25,003,277, (shown on
22 line 2) results in the Net True-Up underrecovery for the period January 2001
23 through December 2001 (shown on line 3) of \$2,528,058.

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

3 A. Yes. Appendix II, pages 4 and 5, entitled "Calculation of Final True-up
4 Amount," shows the calculation of the CCR End-of period true-up for the
5 period January 2001 through December 2001. The End of-Period true-up
6 shown on page 5, line 17 plus line 18 is an overrecovery of \$22,475,219.

7
8 **Q. Is this true-up calculation consistent with the true-up methodology**
9 **used for the other cost recovery clauses?**

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

14
15 **Q. Have you provided a schedule showing the variances between actuals**
16 **and estimated/actuals?**

17 A. Yes. Appendix II, page 6, entitled "Calculation of Final True-up Variances,"
18 shows the actual capacity charges and applicable revenues compared to the
19 estimated/actuals for the period January 2001 through December 2001.

20
21 **Q. What was the variance in net capacity charges?**

22 A. As shown on line 7, actual net capacity charges on a Total Company basis
23 were approximately \$2.0 million lower than the estimated/actual projection.

1 This variance was primarily due to \$2.0 million lower than expected Payments
2 to Non-Cogenerators and \$1.0 million lower than expected payments to
3 Cogenerators offset by a \$1.0 million variance in Revenues from Capacity
4 Sales.

5

6 **Q. What was the variance in Capacity Cost Recovery revenues?**

7 A. As shown on line 12, actual Capacity Cost Recovery revenues, net of revenue
8 taxes, were \$3.9 million, or 0.9%, lower than the estimated/actual projection.
9 This decrease was due to lower than projected jurisdictional sales, which
10 were 932,938,649 kWh, or 1.0%, lower than the estimated/actual projection.

11

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

13 A. Yes, it does.

APPENDIX I
FUEL COST RECOVERY
TRUE UP CALCULATION

KMD-1
DOCKET NO. 020001-EI
FPL WITNESS: K.M. DUBIN
APRIL 1, 2002

APPENDIX I
FUEL COST RECOVERY
TABLE OF CONTENTS

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3	SUMMARY OF NET TRUE UP AMOUNT
4-5	CALCULATION OF FINAL TRUE UP AMOUNT
6	CALCULATION OF FINAL TRUE UP VARIANCES

**FLORIDA POWER & LIGHT COMPANY
FUEL COST RECOVERY CLAUSE
SUMMARY OF NET TRUE-UP FOR THE
PERIOD JANUARY THROUGH DECEMBER 2001**

1	End of Period True-up for the period January through December 2001 (from page 4, lines D7 & D8)	\$ 116,800,625
2	Less - Estimated/Actual True-up for the same period *	\$ 13,794,067
3	Net True-up for the period January through December 2001	<u>\$ 103,006,558</u>

() Reflects Underrecovery

* Approved in FPSC Order No. PSC-01-2516-FOF-EI dated December 26, 2001.

CALCULATION OF ACTUAL TRUE-UP AMOUNT							
FLORIDA POWER & LIGHT COMPANY							
FOR THE PERIOD JANUARY THROUGH DECEMBER 2001							
LINE NO.		(1)	(2)	(3)	(4)	(5)	(6)
		JAN	FEB	MAR	APR	MAY	JUN
A	Fuel Costs & Net Power Transactions						
1	a Fuel Cost of System Net Generation	\$ 244,785,143	\$ 159,425,167	\$ 177,190,313	\$ 204,132,267	\$ 196,155,832	\$ 221,272,763
	b Nuclear Fuel Disposal Costs	2,068,407	1,843,450	2,015,390	1,551,446	1,946,294	2,012,166
	c Coal Cars Depreciation & Return	322,410	320,677	318,944	317,212	315,479	172,197
	d Gas Pipelines Depreciation & Return	214,594	213,138	211,683	210,227	208,772	207,316
	e DOE D&D Fund Payment	0	0	0	0	0	0
2	a Fuel Cost of Power Sold - Transmission Reactive Fuel	(12,968,637)	(3,779,258)	(6,789,117)	(5,276,186)	(10,230,516)	(5,307,573)
	b Revenues from Off-System Sales	(5,127,829)	(619,875)	(1,841,828)	(1,255,420)	(2,917,249)	(1,588,846)
3	a Fuel Cost of Purchased Power	14,199,440	13,029,285	13,378,077	15,628,813	15,938,203	13,199,193
	b Energy Payments to Qualifying Facilities	11,896,881	10,643,682	10,958,522	12,795,114	11,099,683	12,227,370
4	a Energy Cost of Economy Purchases	2,778,540	2,938,601	7,310,367	15,227,982	8,076,737	5,296,225
5	Total Fuel Costs & Net Power Transactions	\$ 258,168,948	\$ 184,014,868	\$ 202,752,351	\$ 243,331,454	\$ 220,593,234	\$ 247,490,811
6	Adjustments to Fuel Cost						
	a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (2,550,139)	\$ (3,387,586)	\$ (2,617,769)	\$ (3,111,502)	\$ (3,235,559)	\$ (3,139,331)
	b Reactive and Voltage Control / Energy Imbalance Fuel Revenues	\$ (74,105)	\$ (63,307)	\$ (43,864)	\$ (35,075)	\$ (33,718)	\$ (26,851)
	c Inventory Adjustments	\$ (169,260)	\$ 167,695	\$ 40,100	\$ (413,216)	\$ (134,375)	\$ (311,926)
	d Non Recoverable Oil/Tank Bottoms	\$ 0	\$ 171,000	\$ 0	\$ (60,609)	\$ 0	\$ 0
	e Incremental Plant Security Costs per Order No. PSC -01-2516	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 255,375,445	\$ 180,902,670	\$ 200,130,818	\$ 239,711,053	\$ 217,189,581	\$ 244,012,703
B	kWh Sales						
1	Jurisdictional kWh Sales (RTP @ CBL) (a)	7,629,849,502	6,715,059,955	6,512,773,908	6,579,965,506	6,735,706,835	8,075,952,989
2	Sale for Resale (excluding FKEC & CKW)	549,963	440,917	463,088	597,708	538,692	518,879
3	Sub-Total Sales (excluding FKEC & CKW)	7,630,399,465	6,715,500,872	6,513,236,996	6,580,563,214	6,736,245,527	8,076,471,868
6	Jurisdictional % of Total Sales (B1/B3)	99.99279%	99.99343%	99.99289%	99.99092%	99.99200%	99.99358%
	See Footnotes on page 2.						
C	True-up Calculation						
1	Juris Fuel Revenues (Incl RTP @ CBL) Net of Revenue Taxes	\$ 214,633,368	\$ 193,031,956	\$ 187,300,172	\$ 231,916,374	\$ 242,218,141	\$ 290,936,279
2	Fuel Adjustment Revenues Not Applicable to Period						
a 1	Amortize 1/24 of \$518,005,376 per Order PSC-00-2385-POF	(21,583,557)	(21,583,557)	(21,583,557)	(21,583,557)	(21,583,557)	(21,583,557)
a 2	2000 Final True-up Collected per Midcourse Order PSC-01-0963-PCO	0	0	0	(8,534,119)	(8,534,119)	(8,534,119)
b	GPIF, Net of Revenue Taxes (b)	(581,146)	(581,146)	(581,146)	(581,146)	(581,146)	(581,146)
c	Oil Backout Revenues, Net of revenue taxes	(23)	1	3	49	0	(303)
3	Jurisdictional Fuel Revenues Applicable to Period	\$ 192,468,642	\$ 170,867,254	\$ 165,135,471	\$ 201,217,600	\$ 211,519,319	\$ 260,237,154
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 255,375,445	\$ 180,902,670	\$ 200,130,818	\$ 239,711,053	\$ 217,189,581	\$ 244,012,703
b	Nuclear Fuel Expense - 100% Retail (Acct. 518.111)	0	0	0	0	0	0
c	RTP Incremental Fuel - 100% Retail	47,129	37,120	47,714	(41,788)	(150,080)	(64,137)
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)	255,328,316	180,865,550	200,083,104	239,752,841	217,339,661	244,076,840
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99279 %	99.99343 %	99.99289 %	99.99092 %	99.99200 %	99.99358 %
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00046(c)) +(Lines C4b,c,d)	\$ 255,474,478	\$ 180,973,979	\$ 200,208,623	\$ 239,799,560	\$ 217,272,162	\$ 244,109,302
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ (63,005,836)	\$ (10,106,725)	\$ (35,073,152)	\$ (38,581,960)	\$ (5,752,843)	\$ 16,127,851
8	Interest Provision for the Month (Line D10)	(543,803)	(648,282)	(713,247)	(788,344)	(749,090)	(655,872)
9	a True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	0	(63,549,639)	(74,304,646)	(110,091,046)	(149,461,350)	(155,963,282)
b	Deferred True-up Beginning of Period - Over/(Under) Recovery	(76,807,071)	(76,807,071)	(76,807,071)	(76,807,071)	(68,272,952)	(59,738,833)
10	a Prior Period True-up Collected/(Refunded) This Period	0	0	0	0	0	0
b	Midcourse Prior Period True-up Collected/(Refunded) This Period	0.00	0.00	0.00	8,534,118.97	8,534,118.97	8,534,118.97
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	\$ (140,356,710)	\$ (151,111,717)	\$ (186,898,116)	\$ (217,734,302)	\$ (215,702,115)	\$ (191,696,017)

CALCULATION OF ACTUAL TRUE-UP AMOUNT								
FLORIDA POWER & LIGHT COMPANY								
FOR THE PERIOD JANUARY THROUGH DECEMBER 2001								
LINE NO.		(7)	(8)	(9)	(10)	(11)	(12)	(13)
		JUL	AUG	SEP	OCT	NOV	DEC	TOTAL PERIOD
Fuel Costs & Net Power Transactions								
1	a Fuel Cost of System Net Generation	\$ 204,642,334	\$ 232,718,923	\$ 186,206,275	\$ 141,863,418	\$ 121,621,184	\$ 111,117,948	\$ 2,201,131,567
	b Nuclear Fuel Disposal Costs	1,982,870	1,942,018	1,990,108	1,536,338	1,934,992	1,566,475	22,389,953
	c Coal Cars Depreciation & Return	312,014	310,281	308,549	306,816	305,083	303,351	3,613,013
	d Gas Pipelines Depreciation & Return	205,860	204,405	202,949	201,494	200,038	198,583	2,479,059
	e DOE D&D Fund Payment	0	0	0	0	5,933,597	0	5,933,597
2	a Fuel Cost of Power Sold Transmission Reactive Fuel	(5,516,006)	(5,159,144)	(3,701,558)	(2,223,441)	(1,571,990)	(1,309,066)	(63,832,493)
	b Revenues from Off-System Sales	(1,465,801)	(1,323,031)	(910,985)	(393,026)	(228,629)	(174,077)	(17,846,596)
3	a Fuel Cost of Purchased Power	13,823,744	15,284,253	13,522,044	15,214,556	13,758,971	14,337,364	171,313,943
	b Energy Payments to Qualifying Facilities	11,919,593	9,771,399	10,296,085	9,330,135	4,980,528	10,694,938	126,613,930
4	Energy Cost of Economy Purchases	4,279,572	9,347,452	7,113,899	5,007,944	2,919,188	5,549,111	75,845,618
5	Total Fuel Costs & Net Power Transactions	\$ 230,184,180	\$ 263,096,556	\$ 215,027,366	\$ 170,844,235	\$ 149,852,964	\$ 142,284,626	\$ 2,527,641,592
Adjustments to Fuel Cost								
	a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (3,063,295)	\$ (2,974,668)	\$ (3,053,432)	\$ (2,500,226)	\$ (2,138,929)	\$ (1,769,906)	\$ (33,542,341)
	b Reactive and Voltage Control / Energy Imbalance Fuel Revenues	\$ (108,066)	\$ (44,132)	\$ (53,497)	\$ 114,937	\$ (26,953)	\$ (29,532)	\$ (424,162)
	c Inventory Adjustments	\$ (392,674)	\$ 133,449	\$ 69,754	\$ (66,648)	\$ (45,313)	\$ (87,023)	\$ (1,209,438)
	d Non Recoverable Oil/Tank Bottoms	\$ (43,783)	\$ 86,713	\$ (500,279)	\$ (57,672)	\$ (234,846)	\$ 0	\$ (639,475)
	e Incremental Plant Security Costs per Order No PSC -01-2516	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 675,696	\$ 675,696
7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 226,576,362	\$ 260,297,919	\$ 211,489,912	\$ 168,334,626	\$ 147,406,923	\$ 141,073,861	\$ 2,492,501,872
kWh Sales								
1	Jurisdictional kWh Sales (RTP @ CBL) (a)	8,541,653,012	8,460,754,358	9,009,621,927	7,846,109,466	7,010,604,878	7,096,863,722	90,214,916,058
2	Sale for Resale (excluding FKEC & CKW)	422,743	579,895	603,684	513,788	503,019	500,687	6,233,063
3	Sub-Total Sales (excluding FKEC & CKW)	8,542,075,755	8,461,334,253	9,010,225,611	7,846,623,254	7,011,107,897	7,097,364,409	90,221,149,121
6	Jurisdictional % of Total Sales (B1/B3)	99.99505%	99.99315%	99.99330%	99.99345%	99.99283%	99.99295%	99.99309%
See Footnotes on page 2.								
True-up Calculation								
1	Juris Fuel Revenues (Incl RTP @ CBL) Net of Revenue Taxes	\$ 307,531,802	\$ 304,828,864	\$ 324,509,584	\$ 240,153,348	\$ 209,068,412	\$ 211,834,556	\$ 2,957,962,854
Fuel Adjustment Revenues Not Applicable to Period								
a 1	Amortize 1/24 of \$518,005,376 per Order PSC-00-2385-FOF	(21,583,557)	(21,583,557)	(21,583,557)	(21,583,557)	(21,583,557)	(21,583,558)	(259,002,688)
a 2	2000 Final True-up Collected per Midcourse Order PSC-01-0963-PCO	(8,534,119)	(8,534,119)	(8,534,119)	(8,534,119)	(8,534,119)	(8,534,119)	(76,807,071)
b	GPIF, Net of Revenue Taxes (b)	(581,146)	(581,146)	(581,146)	(581,146)	(581,146)	(581,146)	(6,973,752)
c	Oil Backout Revenues, Net of revenue taxes	2	(1)	(1)	(30)	(2)	(0)	(304)
3	Jurisdictional Fuel Revenues Applicable to Period	\$ 276,832,982	\$ 274,130,041	\$ 293,810,761	\$ 209,454,496	\$ 178,369,587	\$ 181,135,734	\$ 2,615,179,039
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 226,576,362	\$ 260,297,919	\$ 211,489,912	\$ 168,334,626	\$ 147,406,923	\$ 141,073,861	\$ 2,492,501,872
	b Nuclear Fuel Expense - 100% Retail (Acct 518.111)	0	0	0	0	0	0	0
	c RTP Incremental Fuel - 100% Retail	41,507	(7,742)	30,372	30,372	(70,836)	(13,466)	(113,836)
	d D&D Fund Payments - 100% Retail	0	0	0	0	5,933,597	0	5,933,597
	e Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b C4c-C4d)	226,534,855	260,305,661	211,459,540	168,304,254	141,544,161	141,087,327	2,486,682,111
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99505 %	99.99315 %	99.99330 %	99.99345 %	99.99283 %	99.99295 %	99.99309 %
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00046(c)) +(Lines C4b,c,d)	\$ 226,669,350	\$ 260,399,820	\$ 211,573,009	\$ 168,401,017	\$ 147,461,880	\$ 141,128,810	\$ 2,493,471,989
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ 50,163,632	\$ 13,730,221	\$ 82,237,752	\$ 41,053,479	\$ 30,907,708	\$ 40,006,924	\$ 121,707,051
8	Interest Provision for the Month (Line D10)	(510,712)	(368,146)	(169,428)	7,709	85,743	147,046	(4,906,426)
9	a True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	(140,491,303)	(90,838,383)	(77,476,308)	4,592,016	45,653,204	76,646,655	0
	b Deferred True-up Beginning of Period - Over/(Under) Recovery	(51,204,714)	(42,670,595)	(34,136,476)	(25,602,357)	(17,068,238)	(8,534,119)	(76,807,071)
10	a Prior Period True-up Collected/(Refunded) This Period	0	0	0	0	0	0	0
	b Midcourse Prior Period True-up Collected/(Refunded) This Period	8,534,118.97	8,534,118.97	8,534,118.97	8,534,118.97	8,534,118.97	8,534,118.97	76,807,070.76
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	\$ (133,508,978)	\$ (111,612,784)	\$ (21,010,341)	\$ 28,584,966	\$ 68,112,536	\$ 116,800,625	\$ 116,800,625

FLORIDA POWER & LIGHT COMPANY

FUEL COST RECOVERY CLAUSE

CALCULATION OF VARIANCE - ACTUAL vs ESTIMATED/ACTUAL

FOR THE PERIOD JANUARY THROUGH DECEMBER 2001

LINE NO.		(1)	(2)	(3)	(4)	
		ACTUAL	ESTIMATED /	VARIANCE		
			ACTUAL (a)	AMOUNT	%	
A	1	a Fuel Cost of System Net Generation	\$ 2,201,131,567	\$ 2,322,240,248	\$ (121,108,681)	(5.2) %
		b Nuclear Fuel Disposal Costs	22,389,953	22,368,756	21,198	0.1 %
		c Coal Cars Depreciation & Return	3,613,013	3,613,013	(0)	0.0 %
		d Gas Pipelines Depreciation & Return	2,479,059	2,479,059	(0)	0.0 %
		e DOE D&D Fund Payment	5,933,597	6,104,000	(170,403)	(2.8) %
	2	a Fuel Cost of Power Sold	(63,832,493)	(78,643,204)	14,810,711	(18.8) %
		b Revenues from Off-System Sales	(17,846,596)	(17,026,999)	(819,597)	4.8 %
	3	a Fuel Cost of Purchased Power	171,313,943	171,886,145	(572,202)	(0.3) %
		b Energy Payments to Qualifying Facilities	126,613,930	143,095,627	(16,481,697)	(11.5) %
	4	Energy Cost of Economy Purchases	75,845,618	80,666,364	(4,820,746)	(6.0) %
	5	Total Fuel Costs & Net Power Transactions	\$ 2,527,641,592	\$ 2,656,783,009	\$ (129,141,417)	(4.9) %
	6	Adjustments to Fuel Cost:				
		a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (33,542,341)	\$ (35,228,705)	\$ 1,686,364	(4.8) %
		b Reactive and Voltage Control Fuel Revenue	(424,162)	(384,986)	(39,176)	10.2 %
		c Inventory Adjustments	(1,209,438)	(1,213,656)	4,218	(0.3) %
		d Non Recoverable Oil/Tank Bottoms	(639,475)	66,608	(706,083)	(1060.1) %
		e Incremental Plant Security Costs per Order No. PSC -01-2516	675,696	0	675,696	N/A
	7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 2,492,501,872	\$ 2,620,022,270	\$ (127,520,398)	(4.9) %
C	1	Jurisdictional kWh Sales	90,214,916,058	91,147,854,707	(932,938,649)	(1.0) %
	2	Sale for Resale	6,233,063	6,431,990	(198,927)	(3.1) %
	3	Total Sales (Excluding RTP Incremental)	90,221,149,121	91,154,286,697	(933,137,576)	(1.0) %
	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)	\$ 2,957,962,854	2,983,253,608	\$ (25,290,754)	(0.8) %
	a1	Prior Period True-up Provision (b)	(259,002,688)	(259,002,685)	(3)	0.0 %
	a2	Prior Period True-up Provision	(76,807,071)	(76,807,071)	0	N/A
	b	Generation Performance Incentive Factor Net (c)	(6,973,752)	(6,973,752)	0	0.0 %
	c	Oil Backout Revenues, Net of revenue Taxes	(304)	(271)	(33)	N/A
	3	Jurisdictional Fuel Revenues Applicable to Period	\$ 2,615,179,039	\$ 2,640,469,829	\$ (25,290,790)	(1.0) %
	4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 2,492,501,872	\$ 2,620,022,270	\$ (127,520,398)	(4.9) %
		b Nuclear Fuel Expense - 100% Retail	-	0	0	N/A
		c RTP Incremental Fuel -100% Retail	(113,836)	(82,535)	(31,301)	37.9 %
		d D&D Fund Payments -100% Retail (Line A 1 e)	5,933,597	0	5,933,597	N/A
		e Adj. Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (D4a-D4b-D4c-D4d)	2,486,682,111	2,620,104,805	(127,489,098)	(4.9) %
	5	Jurisdictional Sales % of Total kWh Sales	N/A	N/A	N/A	N/A
	6	Jurisdictional Total Fuel Costs & Net Power Transactions	\$ 2,493,471,989	\$ 2,622,150,199	\$ (128,678,210)	(4.9) %
	7	True-up Provision for the Period- Over/(Under) Recovery (Line D3 - Line D6)	\$ 121,707,051	\$ 18,319,630	\$ 103,387,421	N/A
	8	Interest Provision for the Month	(4,906,426)	(4,525,563)	(380,863)	8.4 %
	9	True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	0	0	0	N/A
		a Deferred True-up Beginning of Period - Over/(Under) Recovery	(76,807,071)	(76,807,071)	0	0.0 %
	10	a Prior Period True-up Collected/(Refunded) This Period	0	0	0	N/A
		b Prior Period True-up Collected/(Refunded) This Period	76,807,071	76,807,071	(0)	0.0 %
	11	End of Period Net True-up Amount Over/(Under) Recovery (Lines D7 through D10)	\$ 116,800,625	\$ 13,794,067	\$ 103,006,558	N/A

NOTES (a) Per Estimated/Actual, filed November 5, 2001
 (b) Amortization of \$518,005,376 fuel underrecovery over 24 months per FPSC Order No. PSC-00-2385-FOF-EI.
 (c) Generation Performance Incentive Factor is ((\$6,973,751/12) x 98.4280%) - See Order No. PSC-00-2385-FOF-EI.

APPENDIX II
CAPACITY COST RECOVERY
TRUE UP CALCULATION

KMD-2
DOCKET NO. 020001-EI
FPL WITNESS: K.M. DUBIN
APRIL 1, 2002

APPENDIX II
CAPACITY COST RECOVERY
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**FLORIDA POWER & LIGHT COMPANY
CAPACITY COST RECOVERY CLAUSE
SUMMARY OF NET TRUE-UP FOR THE
PERIOD JANUARY THROUGH DECEMBER 2001**

1.	End of Period True-up for the period January through December 2001 (from page 6, lines 17 & 18)	\$ 22,475,219
2.	Less - Estimated/Actual True-up for the same period *	25,003,277
3.	Net True-up for the period January through December 2001	<u>\$ (2,528,058)</u>

() Reflects Underrecovery

* Approved in FPSC Order No. PSC-01-2516-FOF-EI dated December 26, 2001

CAPACITY COST RECOVERY CLAUSE							
CALCULATION OF FINAL TRUE-UP AMOUNT							
FOR THE PERIOD JANUARY THROUGH DECEMBER 2001							
LINE NO.		(1) JAN 2001	(2) FEB 2001	(3) MAR 2001	(4) APR 2001	(5) MAY 2001	(6) JUN 2001
1.	UPS Capacity Charges	\$ 9,405,570	\$ 9,350,830	\$ 8,534,569	\$ 9,020,204	\$ 8,329,952	\$ 8,976,256
3.	QF Capacity Charges	\$ 24,590,700	\$ 26,704,893	\$ 26,008,147	\$ 26,466,193	\$ 26,226,249	\$ 26,341,889
4.	SJRPP Capacity Charges	\$ 7,367,204	\$ 7,666,884	\$ 7,840,198	\$ 7,668,626	\$ 7,316,990	\$ 7,232,505
4a.	SJRPP Suspension Accrual	\$ 364,775	\$ 364,775	\$ 364,775	\$ 364,775	\$ 364,775	\$ 364,775
4b.	Return on SJRPP Suspension Liability	\$ (149,795)	\$ (153,386)	\$ (156,977)	\$ (160,568)	\$ (164,159)	\$ (167,750)
5.	SJRPP Deferred Interest Payment	\$ (310,546)	\$ (310,546)	\$ (310,546)	\$ (310,546)	\$ (310,546)	\$ (310,546)
6.	Cypress Settlement (Capacity)	\$ -	\$ -	\$ -	\$ 1,530,589	\$ -	\$ -
7.	Trans. of Electricity by Others - FPL Sales	\$ 4,228	\$ (4,452)	\$ 350	\$ 234,914	\$ 502,600	\$ 521,443
8.	Revenues from Capacity Sales	\$ (1,526,404)	\$ (991,620)	\$ (977,936)	\$ (444,462)	\$ (753,189)	\$ (281,737)
9.	Total (Lines 1 through 8)	\$ 39,745,733	\$ 42,627,378	\$ 41,302,580	\$ 45,331,225	\$ 45,131,771	\$ 47,576,423
10.	Jurisdictional Separation Factor (a)	99.01014%	99.01014%	99.01014%	99.01014%	99.01014%	99.01014%
11.	Jurisdictional Capacity Charges	39,352,306	42,205,427	40,893,742	44,882,509	44,685,030	47,105,483
12.	Capacity related amounts included in Base Rates (FFSC Portion Only) (b)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)
13.	Jurisdictional Capacity Charges Authorized	34,606,840	37,459,961	36,148,276	40,137,043	39,939,564	42,360,017
14.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	36,914,301	32,808,069	31,384,614	31,848,138	32,228,721	38,069,851
15.	Prior Period True-up Provision	4,905,797	4,905,797	4,905,797	4,905,797	4,905,797	4,905,797
16.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	41,820,098	37,713,866	36,290,411	36,753,935	37,134,518	42,975,648
17.	True-up Provision for Month - Over/(Under) Recovery (Line 16 - Line 13)	7,213,258	253,905	142,134	(3,383,108)	(2,805,046)	615,631
18.	Interest Provision for Month	287,055	250,949	219,201	177,732	130,542	102,657
19.	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	58,869,559	61,464,076	57,063,133	52,518,672	44,407,499	36,827,198
20.	Deferred True-up - Over/(Under) Recovery	(2,850,420)	(2,850,420)	(2,850,420)	(2,850,420)	(2,850,420)	(2,850,420)
21.	Prior Period True-up Provision Collected/(Refunded) this Month	(4,905,797)	(4,905,797)	(4,905,797)	(4,905,797)	(4,905,797)	(4,905,797)
22.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 17 through 21)						
Notes:	(a) Per K. M. Dubin's Testimony Appendix III Page 3, Docket No. 000001-EI, filed September 21, 2000.						
	(b) Per FFSC 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 2001									
LINE NO.		(7) JUL 2001	(8) AUG 2001	(9) SEP 2001	(10) OCT 2001	(11) NOV 2001	(12) DEC 2001	(13) TOTAL	LINE NO.
1.	UPS Capacity Charges	\$ 8,949,781	\$ 7,155,456	\$ 8,468,245	\$ 9,102,562	\$ 8,539,745	\$ 8,616,039	\$ 104,449,209	1.
2.	Short Term Capacity Purchases CCR	\$ 4,899,588	\$ 5,274,644	\$ 3,256,700	\$ 961,500	\$ 961,500	\$ 961,500	\$ 25,795,620	2.
3.	QF Capacity Charges	\$ 26,541,038	\$ 27,097,417	\$ 26,331,736	\$ 26,382,359	\$ 26,154,200	\$ 25,184,446	\$ 314,029,265	3.
4.	SJRPP Capacity Charges	\$ 7,665,339	\$ 7,661,310	\$ 7,287,099	\$ 7,086,392	\$ 6,415,064	\$ 6,535,619	\$ 87,743,231	4.
4a.	SJRPP Suspension Accrual	\$ 364,775	\$ 364,775	\$ 364,775	\$ 364,775	\$ 364,775	\$ 364,775	\$ 4,377,300	4a.
4b.	Return on SJRPP Suspension Liability	\$ (171,342)	\$ (174,933)	\$ (178,524)	\$ (182,115)	\$ (185,706)	\$ (189,298)	\$ (2,034,553)	4b.
5.	SJRPP Deferred Interest Payment	\$ (310,546)	\$ (310,546)	\$ (310,546)	\$ (310,546)	\$ (310,546)	\$ (310,546)	\$ (3,726,550)	5.
6.	Cypress Settlement (Capacity)	\$ -	\$ -	\$ -	\$ 1,655,267	\$ -	\$ -	\$ 3,185,856	6.
7.	Trans. of Electricity by Others - FPL Sales	\$ 735,452	\$ 641,697	\$ 313,141	\$ (7,859)	\$ 353	\$ 49,042	\$ 2,990,908	7.
8.	Revenues from Capacity Sales	\$ (361,780)	\$ (323,534)	\$ (228,683)	\$ (388,089)	\$ (273,968)	\$ (326,885)	\$ (6,878,289)	8.
9.	Total (Lines 1 through 8)	\$ 48,312,305	\$ 47,386,286	\$ 45,303,943	\$ 44,664,245	\$ 41,665,416	\$ 40,884,692	\$ 529,931,997	9.
10.	Jurisdictional Separation Factor (a)	99.01014%	99.01014%	99.01014%	99.01014%	99.01014%	99.01014%	N/A	10.
11.	Jurisdictional Capacity Charges	47,834,081	46,917,228	44,855,498	44,222,131	41,252,986	40,479,991	524,686,412	11.
12.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(56,945,592)	12.
13.	Jurisdictional Capacity Charges Authorized	43,088,615	42,171,762	40,110,032	39,476,665	36,507,520	35,734,525	467,740,820	13.
14.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	40,201,823	40,095,844	42,495,795	37,245,637	33,633,015	32,888,892	429,814,700	14.
15.	Prior Period True-up Provision	4,905,797	4,905,797	4,905,797	4,905,797	4,905,797	4,905,792	58,869,559	15.
16.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	45,107,620	45,001,641	47,401,592	42,151,434	38,538,812	37,794,684	488,684,259	16.
17.	True-up Provision for Month - Over/(Under) Recovery (Line 16 - Line 13)	2,019,005	2,829,879	7,291,561	2,674,769	2,031,292	2,060,159	20,943,439	17.
18.	Interest Provision for Month	89,171	78,077	66,994	53,650	42,302	33,448	1,531,780	18.
19.	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	32,639,689	29,842,068	27,844,228	30,296,986	28,119,607	25,287,404	58,869,559	19.
20.	Deferred True-up - Over/(Under) Recovery	(2,850,420)	(2,850,420)	(2,850,420)	(2,850,420)	(2,850,420)	(2,850,420)	(2,850,420)	20.
21.	Prior Period True-up Provision - Collected/(Refunded) this Month	(4,905,797)	(4,905,797)	(4,905,797)	(4,905,797)	(4,905,797)	(4,905,792)	(58,869,559)	21.
22.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 17 through 21)	26,991,648	24,993,808	27,446,566	25,269,187	22,436,984	19,624,799	19,624,799	22.
Notes: (a) Per K. M. Dubin's Testimony Appendix III Page.									
(b) Per FPSC Order No. PSC-94-1092-FOF-EL, Docket Appendix IV, Docket No. 930601-EL, filed July 8, 1									

FLORIDA POWER & LIGHT COMPANY
CAPACITY COST RECOVERY CLAUSE
CALCULATION OF FINAL TRUE-UP VARIANCES
FOR THE PERIOD JANUARY THROUGH DECEMBER 2001

Line No.		(1)	(2)	(3)	(4)
		ACTUAL	ESTIMATED / ACTUAL (a)	VARIANCE AMOUNT	%
1.	Payments to Non-cogenerators	\$ 214,261,509	\$ 216,405,620	\$ (2,144,111)	(1.0) %
2.	Payments to Cogenerators	314,029,265	315,225,865	(1,196,600)	(0.4) %
3.	SJRPP Suspension Accrual	4,377,300	4,377,300	0	0.0 %
4.	Return Requirements on SJRPP Suspension Liability	(2,034,553)	(2,034,553)	0	0.0 %
4b.	Cypress Settlement (Capacity)	3,185,856	3,225,767	(39,911)	(1.2) %
5.	Transmission of Electricity by Others - FPL Sales	2,990,908	2,181,295	809,613	37.1 %
6.	Revenues from Capacity Sales	(6,878,289)	(7,893,328)	1,015,039	(12.9) %
7.	Total (Lines 1 through 6)	\$ 529,931,997	\$ 531,487,967	\$ (1,555,970)	(0.3) %
8.	Jurisdictional Separation Factor	N/A	N/A	N/A	N/A
9.	Jurisdictional Capacity Charges	\$ 524,686,412	\$ 526,226,980	\$ (1,540,568)	(0.3) %
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	\$ 467,740,820	\$ 469,281,388	\$ (1,540,568)	(0.3) %
12.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 429,814,700	\$ 433,726,208	\$ (3,911,508)	(0.9) %
13.	Prior Period True-up Provision	58,869,559	58,869,559	0	N/A
14.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 488,684,259	\$ 492,595,767	\$ (3,911,508)	(0.8) %
15.	True-up Provision for Period - Over/(Under) Recovery (Line 14 - Line 11)	\$ 20,943,439	\$ 23,314,379	\$ (2,370,940)	N/A
16.	Interest Provision for Period	1,531,780	1,688,899	(157,119)	N/A
17.	True-up & Interest Provision Beginning of Period - Over/(Under) Recovery	58,869,559	58,869,559	0	N/A
18.	Deferred True-up - Over/(Under) Recovery	(2,850,420)	(2,850,420)	0	N/A
19.	Prior Period True-up Provision - Collected/(Refunded) this Period	(58,869,559)	(58,869,559)	0	N/A
20.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 15 through 19)	\$ 19,624,799	\$ 22,152,858	\$ (2,528,059)	(11.4) %

Notes: (a) Per K. M. Dubin's Testimony Appendix III, Page 7, Docket No. 010001-EI, filed August 31, 2001.
(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.