STEEL HECTOR & D A V I S INTERNATIONAL³¹⁴

ORIGINAL

Steel Hector & Davis LLP 200 South Biscayne Boulevard Suite 4000 Miami, FL 33131-2398 305.577.7000 305.577.7001 Fax www.steelhector.com

John T. Butler, P.A. 305.577.2939 jtb@steelhector.com

September 6, 2002

-VIA FEDERAL EXPRESS-

Blanca S. Bayó, Director Records and Reporting Florida Public Service Commission 4075 Esplanade Way, Room 110 Tallahassee, Florida 32399-0850

Dear Ms. Bayó:

DISTRIBUTION CENTER Power & Light Company's ("FPL") Petition for Approval of Environmental Cost Recovery Factors for Period January 2003 through December 2003, 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 is which the document appears is Word 2000.

Sincerely, John T. Butler, P.A.

AUS CAF CMP COMS Encls. CTR MIA2001/155221 SCR GCL OPC M S OTH

Miami

West Palm Beach

Tallahassee

Naples

Key West

London

DOCUMENT NUMBER-DATE

São Paulo 0 9 5 Janeiro SEP-9 Caracas

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost) <u>Recovery Clause</u>) DOCKET No. 020007-EI Dated: September 6, 2002

PETITION FOR APPROVAL OF ENVIRONMENTAL COST RECOVERY FACTORS FOR PERIOD JANUARY 2003 THROUGH DECEMBER 2003

Florida Power & Light Company ("FPL") pursuant to Order No. FSC-93-1580-FOF-EI, and Order No. PSC-98-0691-FOF-PU approving a change to a calendar year basis for Environmental Cost Recovery Factors effective January 1999, hereby petitions this Commission to approve the Environmental Cost Recovery Factors submitted as Attachment I to this Petition for the January 2003 through December 2003 billing period. All charges are to become effective starting with meter readings scheduled to be read on or after Cycle Day 3 through Cycle Day 2, and will remain in effect until modified by subsequent order of this Commission. In support of this Petition, FPL incorporates the prepared written testimony of and documents sponsored by Ms. K.M. Dubin and Mr. R.R. LaBauve and states:

1. Florida Statutes Section 336.8255, which became effective on April 13, 1993, authorizes the Commission to review and approve the recovery of prudently incurred Environmental Compliance Costs.

2. FPL hereby submits the Environmental Cost Recovery Factors developed and proposed by FPL for the period January 2003 through December 2003 as set forth in the testimony and Exhibits of Ms. K.M. Dubin, and in Attachment I to this Petition. FPL is requesting recovery of total projected jurisdictional environmental costs, adjusted for revenue taxes, in the amount of \$19,149,944, including \$11,049,501 of environmental project costs

increased by the estimated/actual underrecovery of \$7,799,426 for the period January 2002 through December 2002 as filed on August 9, 2002.

3. In accordance with Order No. PSC-99-0519-AS-EI, issued March 17, 1998, the final true-up amount for the period January 2001 through December 2001 was zero. Therefore, no final true-up amount for the period January 2001 through December 2001 is included in the 2003 factor.

4. Mr. R.R. LaBauve's prepared testimony and exhibits presents two new environmental compliance activities for recovery through the Environmental Cost Recovery Clause: the Manatee Reburn NOx Control Technology Project and the Spill Prevention, Control, and Countermeasures (SPCC) Project. For each project, Mr. LaBauve's testimony includes a description of the project, the costs associated with the project, and a demonstration of the appropriateness of the project. This information shows that the Manatee Reburn NOx Control Technology Project and the SPCC Project costs that FPL requests authorization to recover are prudent and meet the requirements for recovery set forth in Section 366.8255, Florida Statutes.

5. The calculations of environmental costs for the period January 2003 through December 2003, are contained in Commission schedules 42-1P through 42-7P which are attached as Appendix I to the prepared written testimony of FPL witness of FPL witness K.M. Dubin filed in Docket No. 020007-EI and incorporated herein by reference.

WHEREFORE, FPL respectfully requests the Commission to approve the Environmental Cost Recovery Factors requested herein for the January 2003 through December 2003 billing period, effective starting with meter readings scheduled to be read on or after Cycle Day 3 through Cycle Day 2, and to continue these charges in effect until modified by subsequent order of this Commission.

2

Respectfully submitted,

R. Wade Litchfield, Esq. Senior Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 Telephone: (561) 691-7101 STEEL HECTOR & DAVIS LLP 200 South Biscayne Boulevard Suite 4000 Miami, Florida 33131-2398

Attorneys for Florida Power & Light Company

By:

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

CERTIFICATE OF SERVICE Docket No. 020007-EI

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Petition for Approval of Environmental Cost Recovery Factors for period January 2003 through December 2003, along with Testimony and Exhibits of K.M. Dubin and R.R. LaBauve, have been furnished by Hand Delivery (*), or U.S. mail this ______ day of September, 2002 to the following:

Marlene K. Stern, Esq. * **Division of Legal Services** Florida Public Service Commission 2540 Shumard Oak Blvd. Gunter Building, Room 370 Tallahassee, FL 32399

Robert Vandiver, Esq. Office of Public Counsel 111 West Madison Street Room 812 Tallahassee, FL 32399

Ms. Susan D. Ritenour Gulf Power Company **One Energy Place** Pensacola, FL 32520-0780

Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Beggs and Lane Attorneys for Gulf Power Corp. P.O. Box 12950 Pensacola, FL 32576

Ms. Angela Llewellyn Tampa Electric Company **Regulatory** Affairs P.O. Box 111 Tampa, FL 33601-0111

Lee L. Willis, Esq. James D. Beasley, Esq. Ausley & McMullen Attorneys for TECO P.O. Box 391 Tallahassee, FL 32302

James A. McGee, Esq. Florida Power Corporation P. O. Box 14042 St. Petersburg, FL 33733

Vicki Gordon Kaufman, Esq. Joseph A. McGlothlin, Esq. McWhirter Reeves Attorneys for FIPUG 117 South Gadsden Street Tallahassee, FL 32301

John W. McWhirter, Jr., Esq. McWhirter, Reeves, McGothlin, Davidson, et al. Attorneys for FIPUG P. O. Box 3350 Tampa, FL 33601-3350

By:

John T. Butler, P.A.

155134

Elorida Power & Light Company Environmental Cost Recovery Clause Calculation of Environmental Cost Recovery Clause Factors January 2003 to December 2003

	(1) Percentage of KWH Sales at Generation	(2) Percentage of 12 CP Demand at Generation	(3) Percentage of GCP Demand at Generation	(4) Energy Related Cost	(5) CP Demand Related Cost	(6) GCP Demand Related Cost	(7) Total Environmental Costs	(8) Projected Sales at Meter	(9) Environmental Cost Recovery Factor
Bate_Class	(%)	(%)	(%)	(2)	(\$)	(\$)	(\$)	(KWH)	(\$/KWH)
RS1	52.79090%	57.91053%	56.36791%	\$6,201,354	\$3,461,474	\$803,611	\$10,466,439	50,471,039,871	0.00021
GS1	6.06027%	6.06137%	6.51581%	\$711,901	\$362,305	\$92,893	\$1,167,099	5,793,955,050	0.00020
GSD1	22.86878%	21.31439%	21.18425%	\$2,68 6,3 99	\$1,274,020	\$302,014	\$4,262,433	21,865,398,011	0.00019
OS2	0.02186%	0.01417%	0.05129%	\$2,568	\$847	\$731	\$4,146	21,461,533	0.00019
GSLD1/CS1	10.38233%	8.92614%	9,41372%	\$1,219,613	\$533,541	\$134,207	\$1,887,361	9,938,252,955	0.00019
GSLD2/CS2	1.61501%	1.36340%	1.37920%	\$189,716	\$81,494	\$19,663	\$290,873	1,553,745,889	0.00019
GSLD3/CS3	0.18410%	0.13652%	0.14308%	\$21,626	\$8,160	\$2,040	\$31,826	184,853,894	0.00017
SST1T	0.15599%	0.08676%	0.28541%	\$18,324	\$5,186	\$4,069	\$27,579	156,626,041	0.00018
SST1D	0.06541%	0.05515%	0.06078%	\$7,683	\$3,297	\$867	\$11,847	63,776,080	0.00019
CILC D/CILC G	3.53760%	2.64704%	2.59632%	\$415,562	\$158,221	\$37,014	\$610,797	3,410,560,539	0.00018
CILC T	1.57137%	1,06119%	1.10041%	\$184,589	\$63,430	\$15,688	\$263,707	1,577,785,426	0.00017
MET	0.09323%	0.09479%	0,10125%	\$10,952	\$5,666	\$1,444	\$18,062	91,521,766	0.00020
OL1/SL1/PL1	0.56336%	0.26678%	0.74367%	\$66,178	\$15,946	\$10,602	\$92,726	538,601,843	0.00017
SL2	0.08979%	0.06176%	0.05691%	\$10,548	\$3,692	\$811	\$15,051	85,846,103	0.00018
TOTAL				\$11,747,013	\$5,977,279	\$1,425,653	\$19,149,944	95,753,425,000	0.00020

Notes: There are currently no customers taking service on Schedules ISST1(D) or ISST1(T). Should any customer begin taking service on these schedules during the period, they will be billed using the applicable SST1 Factor.

(1) From Form 42-6P, Col 11
(2) From Form 42-6P, Col 12
(3) From Form 42-6P, Col 13
(4) Total Energy \$ from Form 42-1P, Line 5b x Col 1
(5) Total CP Demand \$ from Form 42-1P, Line 5b x Col 2
(6) Total GCP Demand \$ from Form 42-1P, Line 5b x Col 3
(7) Col 4 + Col 5 + Col 6
(8) Projected KWH sales for the period January 2003 through December 2003
(9) Col 7 / Col 8 x 100

63