

STEEL ■
HECTOR
& DAVIS
INTERNATIONAL™

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
305.577.2939
jbutler@steelhector.com

June 13, 2003

-VIA HAND DELIVERY-

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

RECEIVED FPSC
03 JUN 13 PM 3:57
COMMISSION
CLERK

Re: Docket No. 030001-EI

Dear Ms. Bayó:

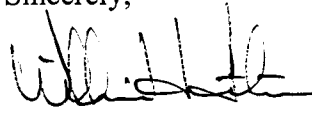
I am enclosing for filing in the above docket the original and seven (7) copies of the Petition of Florida Power & Light Company for Adjustment to its Fuel Adjustment Factors, together with a diskette containing the electronic version of same (Appendix A to the Petition is not included on the diskette). The enclosed diskette is HD density, the operating system is Windows 2000, and the word processing software in which the documents appear is Word 2000.

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

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

Sincerely,


John T. Butler

Enclosures

cc: Counsel for Parties of Record (w/encl.)

AUS _____
CAF _____
CMP _____
COM 5
CTR _____
ECR _____
GCL _____
OPC _____
MMS _____
SEC 1
OTH _____

DOCUMENT FILED
05244 JUN 13 03
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 030001-EI
DATED: June 13, 2003

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

Florida Power & Light Company ("FPL") hereby petitions the Commission to approve a \$214.1 million increase in the amount to be recovered in 2003 through its Fuel and Purchased Power Cost Recovery ("FCR") Clause. This midcourse correction will have the effect of increasing the levelized FCR factor from 3.197 cents per kWh to 3.703 cents per kWh (see Appendix A, page 7), and increasing time differentiated rates from 3.437 cents per kWh to 3.943 cents per kWh for on-peak periods and from 3.090 cents per kWh to 3.596 cents per kWh for off-peak periods (see Appendix A, page 8). The FCR factors by rate group that are being requested are provided in Appendix A, page 9. FPL requests that these new FCR factors become effective with customer billings on July 31, 2003 (cycle day 3 of August), and to continue these charges in effect until modified by subsequent order of this Commission. FPL requests that this matter be placed on the July 1, 2003 Agenda. 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. It has principal offices located at 9250 West Flagler Street, Miami, Florida 33174.

DOCUMENT NUMBER 030001-EI
05244 JUN 13 8
FPSC-COMMISSION CLERK

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
Steel Hector & Davis LLP
200 South Biscayne Blvd.
Suite 4000
Miami, Florida 33131-2398

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

3. In Order No. PSC-03-0381-PCO-EI, dated March 19, 2003, the Commission approved FPL's currently authorized FCR factors to be applied to customers' bills from April 2003 through December 2003. The calculations underlying those factors were based on actual data for January 2003 and revised projections for February through December 2003. For February through May 2003, FPL projected to be \$71,161,651 under-recovered as shown on Appendix A, Page 2 (Summary of monthly A2 Schedules, page 2 of 2, Line C7). FPL actually experienced a \$284,931,929 under-recovery in February through May 2003 as shown on Appendix A, Page 2 (Summary of monthly A2 Schedules, page 2 of 2, Line C7). Netting the \$71,161,651 estimated under-recovery included in FPL's current FCR factors against the actual underrecovery of \$284,931,929 results in a \$213,770,278 under-recovery for February through May 2003 that has not been recovered through FPL's current FCR factors. The total under-recovery for February through May 2003 with interest is \$214,107,126. (See Appendix A, page 4, May 2003 A2 Schedule, Line C7 plus Line C8, Year-to-date column).

4. More than half of this final under-recovery of \$214,107,126 for February through May 2003 is due to hotter than normal weather which in turn resulted in higher than projected Net Energy for Load in the months of March (16% higher), April (1.4% higher) and May (7.1% higher). FPL experienced approximately 50% more cooling degree-days

than normal during the first five months of 2003. March had the highest number of cooling degree-days since 1948. The higher Net Energy for Load caused FPL to use 9% more heavy oil and 20.6% more natural gas. A comparison of FPL's projected and actual generation by fuel type for the period February through May is provided in Appendix A, page 5 (Summary of monthly A3 Schedules).

5. Since the time FPL prepared the fuel projections underlying the current FCR factors in January 2003, fuel prices for 2003 have increased substantially. Specifically, FPL projected the average unit cost of natural gas to be \$6.00 per MMBtu for the period February through May 2003, whereas FPL's actual unit cost of natural gas for the same months is \$6.76, an increase of 12.7%. Additionally, FPL projected the average unit cost of heavy oil to be \$4.27 per MMBtu for February through May 2003, whereas FPL's actual unit cost of heavy oil for the same months is \$4.58, an increase of 7.2%. See Appendix A, page 5. There are several factors that have contributed to these increases. Natural gas prices are higher than projected due to: 1) significantly colder than normal weather in the Northeast and Upper Midwest throughout the first quarter of 2003, which resulted in natural gas storage withdrawals averaging over 125 Bcf/week during the 2002/2003 winter season, and 2) a continued sluggish response in domestic natural gas drilling activity to the high current and projected gas prices. Natural gas storage levels ended the winter season at 623 Bcf, the lowest level since data have been collected. Heavy oil prices are higher than projected due to: (1) a continuation of the Venezuela oil workers strike beyond the period assumed in the forecast used for the current FCR factors; (2) continued significantly colder than normal weather in the Northeast and Upper Midwest throughout the first quarter of 2003; and (3) lower crude oil and petroleum

product inventories in the U.S. than assumed in mid-January and greater than anticipated concern prior to the start of the Iraq war in March 2003 over supply from the Middle East.

6. The cumulative effect of the increased usage and increased prices for natural gas and heavy oil has resulted in substantial variances in the total cost that FPL has incurred for those fuels in February through May 2003. The total natural gas variance is \$178 million. Of this amount, \$102 million or 57% is due to increased consumption and \$76 million or 43% is due to higher than projected unit cost. The total heavy oil variance is \$39.9 million. Of this amount, \$21.3 million or 53% is due to increased consumption and \$18.6 million or 47% is due to higher than projected unit cost.

7. While the February through May 2003 under-recovery does not by itself exceed the 10% threshold discussed by the Commission in Order No. 13694, Docket No. 840001-EI, the combined actual under-recovery for February through May 2003 and the currently projected under-recovery for June through December 2003 would substantially exceed that threshold. However, FPL proposes to adjust its FCR factors at this time only to collect the actual February through May 2003 under-recovery of \$214,107,126. FPL requests that this matter be considered at the Commission's July 1, 2003 Agenda, so that the revised FCR factors may become effective for the August through December 2003 billing period.

8. A residential bill for 1,000 kWh for the period August through December 2003 under this request will be \$86.73, an increase of \$5.13 or 6%. The 1,000 kWh residential bill includes a base rate charge of \$40.22, a fuel cost recovery charge of \$37.11, a conservation cost recovery charge of \$1.80, a capacity cost recovery charge of

\$6.53, an environmental cost recovery charge of \$0.19, and gross receipts tax of \$0.88.

See Appendix A, page 10.

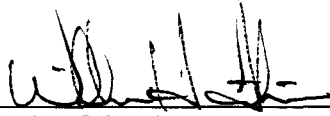
9. Appendix A, pages 1- 10, attached hereto is incorporated herein by reference.

WHEREFORE, FPL requests that its levelized FCR factors be increased to 3.703 cents per kWh for non-time differentiated rates, and 3.943 per kWh and 3.596 cents per kWh for on-peak and off-peak time differentiated rates, and that the Commission approve application of the new factors to become effective with customer billings on July 31, 2003 (cycle day 3 of August 2003) and to continue these charges in effect until modified by a subsequent order of this Commission.

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
Attorneys for Florida Power & Light
Company
200 South Biscayne Boulevard
Suite 4000
Miami, Florida 33131-2398
Telephone: 305-577-2939

By: 
John T. Butler
Fla. Bar No. 283479

CERTIFICATE OF SERVICE

Docket Nos. 030001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition of Florida Power & Light Company for Adjustment to its Fuel Adjustment Factors has been furnished by hand delivery (*) or United States Mail on this 13th day of June, 2003, to the following:

Wm. Cochran Keating, IV, Esq.(*)
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Robert Vandiver, Esq.
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399

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

James A. McGee, Esq.
Progress Energy
P.O. Box 14042
St. Petersburg, Florida 33733

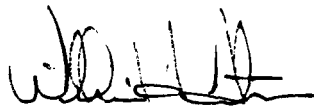
Joseph A. McGlothlin, Esq.
Vicki Gordon Kaufman, Esq.
McWhirter, Reeves, McGlothlin,
Davidson, et al.
Attorneys for FIPUG
117 South Gadsden Street
Tallahassee, Florida 32301

Norman H. Horton, Esq.
Floyd R. Self, Esq.
Messer, Caparello & Self
Attorneys for FPUC
215 South Monroe Street, Suite 701
Tallahassee, Florida 32302-0551

John W. McWhirter, Jr., Esq.
McWhirter, Reeves, McGlothlin,
Davidson, et al.
Attorneys for FIPUG
P.O. Box 3350
Tampa, Florida 33602

Jeffrey A. Stone, Esq.
Russell A. Badders, Esq.
Beggs & Lane
Attorneys for Gulf Power
P.O. Box 12950
Pensacola, Florida 32576-2950

By:



John T. Butler

Appendix A
Fuel Cost Recovery Midcourse Correction
August through December 2003

Description	Page(s)
Summary of Monthly A2 Schedules February – May 2003	2
Schedule A2 Calculation of True-Up and Interest Provision May 2003	3-4
Summary of Monthly A3 Schedules February - May 2003	5
Schedule E1 Revised Fuel & Purchased Power Cost Recovery Calculation	6
Schedule E1-A Calculation of Midcourse Correction Factor	7
Schedule E1-D Time of Use Rate Schedule	8
Schedule E1-E Factors by Rate Group	9
Schedule E10 Residential Bill Comparison	10

**February through May 2003 Underrecovery
Summary of Monthly A2 Schedules
Actuals compared to Projections (April 2003 Midcourse)**

Total Fuel Costs

Schedule A2, page 2 of 2, Line C6	Actual	Projection	Diff \$	Diff %
February	\$ 182,596,294	\$ 206,604,144	\$ (24,007,850)	-11.6%
March	\$ 380,162,846	\$ 221,219,789	\$ 158,943,057	71.8%
April	\$ 249,214,815	\$ 213,305,351	\$ 35,909,464	16.8%
May	\$ 334,359,838	\$ 257,516,932	\$ 76,842,906	29.8%
Total	\$ 1,146,333,793	\$ 898,646,216	\$ 247,687,577	27.6%

Fuel Revenues

Schedule A2, page 2 of 2, Line C3	Actual	Projection	Diff \$	Diff %
February	\$ 198,961,794	\$ 204,064,695	\$ (5,102,901)	-2.5%
March	\$ 200,305,941	\$ 184,942,485	\$ 15,363,456	8.3%
April	\$ 219,684,873	\$ 212,330,615	\$ 7,354,258	3.5%
May	\$ 242,449,256	\$ 226,146,737	\$ 16,302,519	7.2%
Total	\$ 861,401,864	\$ 827,484,532	\$ 33,917,332	4.1%

Revenues minus Cost

Schedule A2, page 2 of 2, Line C7	Actual Over/(Under) recovery	Projected Over/(Under) recovery	Net Over/(Under) recovery
February	\$ 16,365,500	\$ (2,539,416)	\$ 18,904,916
March	\$ (179,856,905)	\$ (36,277,304)	\$ (143,579,601)
April	\$ (29,529,942)	\$ (974,736)	\$ (28,555,206)
May	\$ (91,910,582)	\$ (31,370,195)	\$ (60,540,387)
Sub-Total	\$ (284,931,929)	\$ (71,161,651)	\$ (213,770,278)
Interest	\$ (855,211)	\$ (518,363)	\$ (336,848)
Total	\$ (285,787,140)	\$ (71,680,014)	\$ (214,107,126)

CALCULATION OF TRUE-UP AND INTEREST PROVISION										
Company: Florida Power & Light Company										
Month of: May 2003										
LINE NO.		CURRENT MONTH				YEAR TO DATE				
		ACTUAL	MIDCOURSE CORRECTION (a)	DIFFERENCE AMOUNT	%	ACTUAL	MIDCOURSE CORRECTION (a)	DIFFERENCE AMOUNT	%	
A	Fuel Costs & Net Power Transactions									
1	a	Fuel Cost of System Net Generation	\$ 290,580,370	\$ 226,199,021	\$ 64,381,349	28.5 %	\$ 1,218,258,772	\$ 999,830,594	\$ 218,428,178	21.8 %
	b	Nuclear Fuel Disposal Costs	1,438,413	1,670,344	(231,931)	(13.9) %	8,709,129	8,874,906	(165,777)	(1.9) %
	c	Coal Cars Depreciation & Return	273,896	273,896	0	0.0 %	1,386,808	1,386,808	0	0.0 %
	d	Gas Pipelines Depreciation & Return	170,561	173,839	(3,278)	(1.9) %	866,704	883,748	(17,044)	(1.9) %
	e	DOE D&D Fund Payment	0	0	0	N/A	0	0	0	N/A
2	a	Fuel Cost of Power Sold	(2,233,044)	(3,157,731)	924,687	(29.3) %	(33,019,324)	(29,118,585)	(3,900,739)	13.4 %
	b	Revenues from Off-System Sales (Per A6)	(463,000)	(285,825)	(177,175)	62.0 %	(9,407,876)	(6,279,073)	(3,128,803)	49.8 %
3	a	Fuel Cost of Purchased Power	28,117,567	17,173,013	10,944,554	63.7 %	110,586,168	78,458,698	32,127,470	40.9 %
	b	Energy Payments to Qualifying Facilities	12,980,622	10,983,430	1,997,192	18.2 %	56,169,735	52,269,541	3,900,194	7.5 %
	c	Cypress Settlement Payment	255,797	-	255,797	N/A	255,797	-	255,797	N/A
	d	Okeelanta Settlement Amortization including interest	812,626	828,152	(15,526)	(1.9) %	4,075,202	4,137,629	(62,427)	(1.5) %
4		Energy Cost of Economy Purchases	7,503,345	7,320,000	183,345	2.5 %	31,289,095	24,670,426	6,618,669	26.8 %
5		Total Fuel Costs & Net Power Transactions	\$ 339,437,154	261,178,139	\$ 78,259,014	30.0 %	\$ 1,389,170,210	\$ 1,135,114,691	\$ 254,055,519	22.4 %
6	Adjustments to Fuel Cost									
	a	Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (3,333,364)	(2,641,507)	\$ (691,857)	26.2 %	\$ (16,148,583)	\$ (12,416,430)	\$ (3,732,153)	30.1 %
	b	Reactive and Voltage Control Fuel Revenues	(73,782)	0	(73,782)	N/A	(457,528)	(109,305)	(348,223)	318.6 %
	c	Inventory Adjustments	67,936	0	67,936	N/A	(176,392)	(97,396)	(78,996)	81.1 %
	d	Non Recoverable Oil/Tank Bottoms	0	0	0	N/A	60,265	0	60,265	N/A
	e	Incremental Hedging Implementation Costs	25,080	44,167	(19,087)	(43.2) %	110,381	215,651	(105,270)	(48.8) %
7		Adjusted Total Fuel Costs & Net Power Transactions	\$ 336,123,024	\$ 258,580,799	\$ 77,542,224	30.0 %	\$ 1,372,558,353	\$ 1,122,707,211	\$ 249,851,142	22.3 %
B	kWh Sales									
1		Jurisdictional kWh Sales (RTP @ CBL)	7,999,797,862	7,479,612,000	520,185,862	7.0 %	37,939,371,089	36,668,898,419	1,270,472,670	3.5 %
2		Sale for Resale (excluding FKEC & CKW)	46,122,096	34,580,000	11,542,096	33.4 %	206,896,025	170,358,711	36,537,314	21.4 %
3		Sub-Total Sales (excluding FKEC & CKW)	8,045,919,958	7,514,192,000	531,727,958	7.1 %	38,146,267,114	36,839,257,130	1,307,009,984	3.5 %
4		Sales to FKEC & CKW	81,926,328	83,398,000	(1,471,672)	(1.8) %	384,579,489	380,356,000	4,223,489	1.1 %
5		Total Sales (Excluding RTP Incremental)	8,127,846,286	7,597,590,000	530,256,286	7.0 %	38,530,846,603	37,219,613,130	1,311,233,473	3.5 %
6		Jurisdictional % of Total kWh Sales (lines B1/B3)	99.42676 %	99.53980 %	(0.113040) %	(0.1) %	N/A	N/A	N/A	N/A
SEE FOOTNOTES ON PAGE 2										
Page 3										

CALCULATION OF TRUE-UP AND INTEREST PROVISION									
Company: Florida Power & Light Company									
Month of: May 2003									
LINE NO.		CURRENT MONTH				YEAR TO DATE			
		ACTUAL	MIDCOURSE CORRECTION (a)	DIFFERENCE AMOUNT	%	ACTUAL	MIDCOURSE CORRECTION (a)	DIFFERENCE AMOUNT	%
C	True-up Calculation								
1	Jurisdictional Fuel Revenues (Incl RTP @ CBL (b)) Net of Revenue Taxes	\$ 251,666,698	\$ 235,364,179	\$ 16,302,519	6.9 %	\$ 1,084,441,019	\$ 1,050,523,661	\$ 33,917,358	3.2 %
	Fuel Adjustment Revenues Not Applicable to Period								
2 a	Prior Period True-up (Collected)/Refunded This Period	(587,316)	(587,316)	(0)	0.0 %	(2,936,578)	(2,936,578)	0	0.0 %
b	2002 Final True-up Collected Per Order PSC-03-0381-PCO-B1	(8,051,908)	(8,051,908)	0	0.0 %	(16,103,818)	(16,103,818)	(0)	0.0 %
c	GPIF, Net of Revenue Taxes (c)	(578,218)	(578,218)	(0)	0.0 %	(2,891,089)	(2,891,089)	0	0.0 %
d	Oil Backout Revenues, Net of revenue Taxes	0	0	0	N/A	(30)	(2)	(28)	1155.2 %
3	Jurisdictional Fuel Revenues Applicable to Period	\$ 242,449,256	\$ 226,146,737	\$ 16,302,519	7.2 %	\$ 1,062,509,504	\$ 1,028,592,173	\$ 33,917,331	3.3 %
4 a	Adj Total Fuel Costs & Net Power Transactions (Ln A-7)	\$ 336,123,024	\$ 258,580,799	\$ 77,542,225	30.0 %	\$ 1,372,558,353	\$ 1,122,707,211	\$ 249,851,142	22.3 %
b	Nuclear Fuel Expense - 100% Retail	0	0	0	N/A	0	0	0	N/A
c	RTP Incremental Fuel -100% Retail	(28,433)	0	(28,433)	N/A	10,272	(43,241)	53,513	(123.8) %
d	D&D Fund Payments -100% Retail	0	0	0	N/A	0	0	0	N/A
e	Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	336,151,457	258,580,799	77,570,658	30.0 %	1,372,548,081	1,122,750,453	249,797,629	22.2 %
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.42676 %	99.53980 %	(0.11304) %	(0.1) %	N/A	N/A	N/A	N/A
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00049(d)) +(Lines C4b,c,d)	\$ 334,359,838	\$ 257,516,932	\$ 76,842,906	29.8 %	\$ 1,365,749,356	\$ 1,118,061,747	\$ 247,687,609	22.2 %
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ (91,910,582)	\$ (31,370,195)	\$ (60,540,387)	193.0 %	\$ (303,239,852)	\$ (89,469,574)	\$ (213,770,278)	N/A
8	Interest Provision for the Month (Line D10)	(322,706)	(148,317)	(174,389)	117.6 %	(949,481)	(612,633)	(336,848)	55.0 %
9 a	True-up & Interest Provision Beg of Period-Over/(Under) Recovery	(208,602,661)	(55,210,311)	(153,392,350)	277.8 %	(7,047,788)	(7,047,788)	0	0.0 %
b	Deferred True-up Beginning of Period - Over/(Under) Recovery	(72,467,176)	(72,467,176)	0	0.0 %	(72,467,176)	(72,467,176)	(0)	0.0 %
10 a	Prior Period True-up Collected This Period	587,316	587,316	0	0.0 %	2,936,578	2,936,578	(0)	0.0 %
b	2002 Final True-up Collected Per Order PSC-03-0381-PCO-B1	8,051,908	8,051,908	0	0.0 %	16,103,818	16,103,818	0	0.0 %
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	\$ (364,663,901)	\$ (150,556,775)	\$ (214,107,126)	142.2 %	\$ (364,663,901)	\$ (150,556,775)	\$ (214,107,126)	142.2 %
D	Interest Provision								
1	Beginning True-up Amount (Lines C9 + C9a)	\$ (281,069,837)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	Ending True-up Amount Before Interest (C7+C9+C9a+C10 a & b)	\$ (364,341,195)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Total of Beginning & Ending True-up Amount	\$ (645,411,032)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Average True-up Amount (50% of Line D3)	\$ (322,705,516)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Interest Rate - First Day Reporting Business Month	1.19000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Interest Rate - First Day Subsequent Business Month	1.21000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Total (Line D5 + Line D6)	2.40000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Average Interest Rate (50% of Line D7)	1.20000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Monthly Average Interest Rate (Line D8 / 12)	0.10000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	Interest Provision (Line D4 x Line D9)	\$ (322,706)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NOTES	(a) Per Midcourse Correction, Schedule E 2, filed February 17, 2003.								
	(b) Real Time Pricing (RTP) sales are shown at the Customer Base Load (CBL) KWH. The incremental/decremental kwh sales are excluded. The incremental/decremental RTP fuel revenues (net of revenue taxes) are included in jurisdictional fuel revenues.								
	(c) Generation Performance Incentive Factor is ((\$7,049,431) x 98.4280%) - See Order No. PSC-02-1761-FOF-EL								
	(d) Per Estimated Schedule E-2, filed November 4, 2002.								

**Summary of Monthly A3 Schedules
February through May 2003
System Generation Costs by Fuel Type
Actuals compared to Projections (April 2003 Midcourse)**

\$s	Actuals	Projections	Diff \$	Diff %
Heavy Oil	\$ 277,788,727	\$ 237,865,520	\$ 39,923,207	16.8%
Light Oil	\$ 10,574,086	\$ 2,510,880	\$ 8,063,206	321.1%
Coal	\$ 35,742,459	\$ 39,847,790	\$ (4,105,331)	-10.3%
Natural Gas	\$ 672,125,500	\$ 494,368,880	\$ 177,756,620	36.0%
Nuclear	\$ 19,945,727	\$ 23,155,250	\$ (3,209,523)	-13.9%
Total	\$ 1,016,176,499	\$ 797,748,320	\$ 218,428,179	27.4%

mmbtus	Actuals	Projections	Diff amount	Diff %
Heavy Oil	60,705,244	\$ 55,710,236	4,995,008	9.0%
Light Oil	1,425,482	\$ 398,709	1,026,773	257.5%
Coal	19,468,781	\$ 22,360,869	(2,892,088)	-12.9%
Natural Gas	99,386,148	\$ 82,413,965	16,972,183	20.6%
Nuclear	78,504,678	\$ 77,282,050	1,222,628	1.6%
Total	259,490,333	238,165,829	21,324,504	9.0%

\$/mmbtu	Actuals	Projections	Diff \$	Diff %
Heavy Oil	\$ 4.58	\$ 4.27	\$ 0.31	7.2%
Light Oil	\$ 7.42	\$ 6.30	\$ 1.12	17.8%
Coal	\$ 1.84	\$ 1.78	\$ 0.05	3.0%
Natural Gas	\$ 6.76	\$ 6.00	\$ 0.76	12.7%
Nuclear	\$ 0.25	\$ 0.30	\$ (0.05)	-15.2%
Total	\$ 3.92	\$ 3.35	\$ 0.57	16.9%

FLORIDA POWER & LIGHT COMPANY

FUEL AND PURCHASED POWER
COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: AUGUST 2003 - DECEMBER 2003

	(a)	(b)	(c)
	DOLLARS	MWH	¢/KWH
1 Fuel Cost of System Net Generation (E3)	\$2,290,220,390	87,982,229	2.6030
2 Nuclear Fuel Disposal Costs (E2)	22,177,984	23,870,395	0.0929
3 Fuel Related Transactions (E2)	11,790,433	0	0.0000
3a Security Costs (E2)	0	0	0.0000
3b Incremental Hedging Costs (E2)	530,000	0	
3c Reactor Vessel Head Project (E2)	0	0	
4 Fuel Cost of Sales to FKEC / CKW (E2)	(32,120,096)	(1,038,641)	3.0925
5 TOTAL COST OF GENERATED POWER	\$2,292,598,711	86,943,588	2.6369
6 Fuel Cost of Purchased Power (Exclusive of Economy) (E7)	180,060,402	11,440,300	1.5739
7 Energy Cost of Sched C & X Econ Purch (Florida) (E9)	14,842,500	425,000	3.4924
8 Energy Cost of Other Econ Purch (Non-Florida) (E9)	38,722,500	1,125,000	3.4420
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)	0	0	0.0000
11a Okeelanta/Osceola Settlement (E2)	\$9,917,382	0	0.0000
12 Payments to Qualifying Facilities (E8)	118,177,160	6,394,616	1.8481
13 TOTAL COST OF PURCHASED POWER	\$361,719,944	19,384,916	1.8660
14 TOTAL AVAILABLE KWH (LINE 5 + LINE 13)		106,328,504	
15 Fuel Cost of Economy Sales (E6)	(46,905,300)	(1,250,000)	3.7524
16 Gain on Economy Sales (E6A)	0	0	0.0000
17 Fuel Cost of Unit Power Sales (SL2 Partpts) (E6)	(1,038,192)	(537,378)	0.1932
18 Fuel Cost of Other Power Sales (E6)	0	0	0.0000
18a Revenues from Off-System Sales	(6,307,639)	(1,787,378)	0.3529
19 TOTAL FUEL COST AND GAINS OF POWER SALES	(\$54,251,131)	(1,787,378)	3.0352
19a Net Inadvertent Interchange	0	0	
20 TOTAL FUEL & NET POWER TRANSACTIONS (LINE 5 + 13 + 19 + 19a)	\$2,600,067,524	104,541,126	2.4871
21 Net Unbilled Sales	(245,822) **	(9,884)	(0.0003)
22 Company Use	7,800,203 **	313,623	0.0080
23 T & D Losses	169,004,389 **	6,795,173	0.1734
24 SYSTEM MWH SALES (Excl sales to FKEC / CKW)	\$2,600,067,524	97,442,213	2.6683
25 Wholesale MWH Sales (Excl sales to FKEC / CKW)	\$10,875,563	407,582	2.6683
26 Jurisdictional MWH Sales	\$2,589,191,961	97,034,630	2.6683
27 Jurisdictional Loss Multiplier	-	-	1.00049
28 Jurisdictional MWH Sales Adjusted for Line Losses	\$2,590,460,665	97,034,630	2.6696
29 FINAL TRUE-UP EST/ACT TRUE-UP JAN 01 - DEC 01 JAN 02 - DEC 02 \$0 \$7,047,788 underrecovery	7,047,788	97,034,630	0.0073
30 TOTAL JURISDICTIONAL FUEL COST	\$2,597,508,453	97,034,630	2.6769
31 Revenue Tax Factor			1.01597
32 Fuel Factor Adjusted for Taxes			2.7197
33 GPIF ***	\$7,049,431	97,034,630	0.0073
34 Fuel Factor including GPIF (Line 32 + Line 33)			2.7270
35 FUEL FACTOR EFFECTIVE JANUARY 2003			2.727
36 APRIL - DECEMBER 2003 MIDCOURSE CORRECTION			0.4696
36a FUEL FACTOR EFFECTIVE APRIL 2003			3.1966
37 AUGUST - DECEMBER 2003 MIDCOURSE CORRECTION (Schedule E-1A, line 5)			0.5067
38 FUEL FACTOR AUGUST - DECEMBER 2003 ROUNDED TO THE NEAREST .001 CENTS/KWH			3.703

** For Informational Purposes Only

*** Calculation Based on Jurisdictional KWH Sales

**FLORIDA POWER AND LIGHT COMPANY
CALCULATION OF MIDCOURSE CORRECTION
FOR THE PERIOD: AUGUST 2003 - DECEMBER 2003**

1. February - May 2003 actuals	\$ 214,107,126
2. Total underrecovery to be included in the Midcourse Correction for August 2003 - December 2003	\$ 214,107,126
3. Jurisdictional sales for August - December 2003 (MWH)	42,932,663
4. Revenue Tax Factor	1.01597
5. Midcourse Correction August - December 2003 (Lines 2/3) c/kWh adjusted for taxes:	0.5067
6. Current Fuel Factor effective April 2003	3.1966
7. FUEL FACTOR AUGUST - DECEMBER 2003	3.7033
8. FUEL FACTOR AUGUST - DECEMBER 2003 FACTOR ROUNDED TO NEAREST .001 CENTS/KWH	3.703

FLORIDA POWER & LIGHT COMPANY

SCHEDULE E - 1D

DETERMINATION OF FUEL RECOVERY FACTOR
TIME OF USE RATE SCHEDULES

AUGUST 2003 - DECEMBER 2003

NET ENERGY FOR LOAD (%)

		FUEL COST (%)
ON PEAK	30.83	33.56
OFF PEAK	69.17	66.44
	100.00	100.00

FUEL RECOVERY CALCULATION

	TOTAL	ON-PEAK	OFF-PEAK
1 TOTAL FUEL & NET POWER TRANS	\$2,600,067,524	\$872,582,661	\$1,727,484,863
2 MWH SALES	97,442,213	30,041,434	67,400,779
3 COST PER KWH SOLD	2.6683	2.9046	2.5630
4 JURISDICTIONAL LOSS FACTOR	1.00049	1.00049	1.00049
5 JURISDICTIONAL FUEL FACTOR	2.6696	2.9060	2.5643
6 TRUE-UP	0.0073	0.0073	0.0073
7			
8 TOTAL	2.6769	2.9133	2.5716
9 REVENUE TAX FACTOR	1.01597	1.01597	1.01597
10 RECOVERY FACTOR	2.7197	2.9598	2.6127
11 GPIF	0.0073	0.0073	0.0073
12 RECOVERY FACTOR including GPIF	2.7270	2.9671	2.6200
13 APRIL - DECEMBER 2003 MIDCOURSE CORRECTION	0.4696	0.4696	0.4696
14 MIDCOURSE CORRECTION AUGUST-DECEMBER 2003	0.5067	0.5067	0.5067
15 RECOVERY FACTOR ROUNDED TO NEAREST .001 c/KWH	3.703	3.943	3.596
HOURS: ON-PEAK	24.65 %		
OFF-PEAK	75.35 %		

FLORIDA POWER & LIGHT COMPANY

SCHEDULE E - 1E

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

AUGUST 2003 - DECEMBER 2003

(1) GROUP	(2) RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) FUEL RECOVERY FACTOR
A	RS-1, GS-1, SL-2	3.703	1.00206	3.711
A-1*	SL-1, OL-1, PL-1	3.652	1.00206	3.660
B	GSD-1	3.703	1.00199	3.710
C	GSLD-1 & CS-1	3.703	1.00083	3.706
D	GSLD-2, CS-2, OS-2 & MET	3.703	0.99417	3.681
E	GSLD-3 & CS-3	3.703	0.95413	3.533
A	RST-1, GST-1 ON-PEAK OFF-PEAK	3.943 3.596	1.00206 1.00206	3.951 3.603
B	GSDT-1 ON-PEAK CILC-1(G) OFF-PEAK	3.943 3.596	1.00199 1.00199	3.951 3.603
C	GSLDT-1 & ON-PEAK CST-1 OFF-PEAK	3.943 3.596	1.00083 1.00083	3.946 3.599
D	GSLDT-2 & ON-PEAK CST-2 OFF-PEAK	3.943 3.596	0.99417 0.99417	3.920 3.575
E	GSLDT-3, CST-3, ON-PEAK CILC -1(T) OFF-PEAK & ISST-1(T)	3.943 3.596	0.95413 0.95413	3.762 3.431
F	CILC -1(D) & ON-PEAK ISST-1(D) OFF-PEAK	3.943 3.596	0.99300 0.99300	3.915 3.571

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

COMPANY: FLORIDA POWER & LIGHT COMPANY

SCHEDULE E10

	CURRENT	MIDCOURSE	DIFFERENCE	
	APR 03 - DEC 03	CORRECTION	FROM CURRENT	
		AUG 03 - DEC 03	\$	%
BASE	\$40.22	\$40.22	\$0.00	0.0%
FUEL	\$32.03	\$37.11	\$5.08	15.9%
CONSERVATION	\$1.80	\$1.80	\$0.00	0.0%
CAPACITY PAYMENT	\$6.53	\$6.53	\$0.00	0.0%
ENVIRONMENTAL	<u>\$0.19</u>	<u>\$0.19</u>	<u>\$0.00</u>	<u>100.0%</u>
SUBTOTAL	\$80.77	\$85.85	5.08	6.3%
GROSS RECEIPTS TAX	<u>\$0.83</u>	<u>\$0.88</u>	<u>\$0.05</u>	<u>6.0%</u>
TOTAL	<u>\$81.60</u>	<u>\$86.73</u>	<u>\$5.13</u>	<u>6.3%</u>