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September 11, 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

**Re: Docket No. 030001-EI**

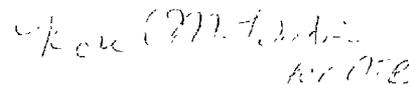
Dear Ms. Bayó:

I am enclosing for filing in the above docket the original and seven (7) copies of the Petition of Florida Power & Light Company for Approval of its Levelized Fuel Cost Recovery Factors, Capacity Cost Recovery Factors and GPIF Targets for the Period January 2004 Through December 2004, 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 (Attachment I is provided in pdf format).

Also enclosed for filing are the original and fifteen (15) copies of the prefiled testimony and exhibits of Florida Power & Light Company witnesses K. M. Dubin, J. R. Hartzog, G. Yupp and F. Irizarry.

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

Sincerely,



John T. Butler

Enclosures

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

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Miami West Palm Beach Tallahassee Naples Key West London Caracas São Paulo Rio de Janeiro Santo Domingo  
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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

IN RE: Fuel and Purchase Power Cost	)	Docket No. 030001-EI
Recovery Clause and Generating	)	
Performance Incentive Factor.	)	Filed: September 12, 2003
_____	)	

**PETITION OF FLORIDA POWER & LIGHT COMPANY FOR APPROVAL  
OF ITS LEVELIZED FUEL COST RECOVERY FACTORS,  
CAPACITY COST RECOVERY FACTORS AND GPIF TARGETS  
FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004**

Florida Power & Light Company ("FPL"), pursuant to Order No. 9273 in Docket No. 74680-CI, Order No. 10093 in Docket No. 810001-EU, and Commission Directives of April 24 and April 30, 1980, hereby petitions this Commission (1) to approve 3.742 cents per kWh as its levelized fuel recovery charge for non-time differentiated rates and 4.081 cents per kWh and 3.591 cents per kWh as its revised levelized fuel recovery charges for the on-peak and off-peak periods, respectively, as its time differentiated rates for the January 2004 through December 2004 billing period; (2) to approve the recovery of the cost of new railcars at the Scherer Plant, including approval for recovery of \$1.4 million for the railcars in the period January 2004 through December 2004; and (3) to approve recovery of incremental hedging O&M costs of \$427,857 projected for the period January 2004 through December 2004. FPL also petitions the Commission to approve the capacity cost recovery factors submitted as Attachment I to this Petition for the January 2004 through December 2004 billing period and to approve recovery of incremental power plant security costs of \$13,673,611 projected for the period January 2004 through December 2004. All charges are to become effective starting with meter readings scheduled to be read on or after Cycle Day 3, and will remain in effect until modified by

subsequent order of this Commission. Finally, FPL requests this Commission to approve the proposed Generation Performance Incentive Factor (GPIF) Targets of 86.0% for the weighted system average equivalent availability and 9,087 Btu/kWh for the average net operating heat rate. In support of this Petition, FPL states as follows:

1. The calculations of fuel costs for the period January 2004 through December 2004 are contained in Commission Schedules E1-E10 and H1 (designated Minimum Filing Requirements by the Commission's April 24, 1989 Directive), which are attached as Appendix II to the testimony of FPL witness K. M. Dubin filed in this Docket and are incorporated herein by reference.

2. FPL is requesting that the Commission approve recovery of the cost of new railcars for the Scherer plant. The total cost of the railcars is projected to be \$7 million. For the period January 2004 through December 2004 FPL is requesting to recover \$1.4 million for the railcars. This project and its associated costs are presented in the testimonies of FPL witnesses G. Yupp and K. M. Dubin filed in this Docket and incorporated herein by reference.

3. FPL is requesting that the Commission approve incremental hedging costs of \$427,857 for the period January 2004 through December 2004. These costs are presented in the testimony of FPL witness G. Yupp filed in this Docket and incorporated herein by reference.

4. FPL is requesting that the Commission approve the capacity cost recovery factors for the period January 2004 through December 2004, which are included as Attachment I to this Petition.

5. FPL is requesting that the Commission approve incremental power plant security costs of \$13,673,611 for the period January 2004 through December 2004. These costs are

presented in the testimony of FPL witnesses J. R. Hartzog and K.M. Dubin filed in this Docket and incorporated herein by reference.

6. The residential bill for 1,000 kWh for the period January 2004 through December 2004 includes a base rate charge of \$40.22, a fuel recovery charge of \$37.50, a capacity cost recovery charge of \$6.25, and an environmental cost recovery charge of \$0.13. The conservation cost recovery factor is not scheduled to be filed until September 26, 2003 and, therefore, is not included here.

7. The GPIF targets for the period January 2004 through December 2004 are calculated in accordance with the methodology which is contained in the Generating Performance Incentive Factor Implementation Manual adopted by Order No. 10168 in Docket No. 810001-EU, as revised by Order No. 10912 entered in Docket No. 820001-EU on June 22, 1982. The GPIF targets are presented in the testimony of FPL witness F. Irizarry filed in this Docket and incorporated herein by reference.

WHEREFORE, FPL respectfully requests this Commission to approve the fuel and capacity cost recovery charges for the period January 2004 through December 2004 requested herein for the billing period effective starting with scheduled meter readings to be read on or after Cycle Day 3, and to continue these charges until modified by subsequent order of this Commission. FPL also requests the Commission to approve recovery of the cost for new railcars for the Scherer plant, including approval for recovery of \$1.4 million for the railcars in the period January 2004 through December 2004. Additionally, FPL requests the Commission to approve \$427,857 for incremental hedging O&M costs projected for the period January 2004 through December 2004 and \$13,673,611 for incremental power plant security costs for the period

January 2004 through December 2004. Finally, FPL requests approval of the GPIF Targets for the period January 2004 through December 2004 requested herein.

Respectfully submitted,

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By: *John T. Butler for FPL*  
John T. Butler  
Florida Bar No. 283479

**CERTIFICATE OF SERVICE**

**Docket No. 030001-EI**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by hand delivery (\*) or United States Mail on the 12<sup>th</sup> day of September, 2003, to the following:

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By:         *Level M. Dub...* for JTB          
John T. Butler

FLORIDA POWER & LIGHT COMPANY  
 CALCULATION OF CAPACITY PAYMENT RECOVERY FACTOR  
 JANUARY 2004 THROUGH DECEMBER 2004

Rate Class	(1) Percentage of Sales at Generation (%)	(2) Percentage of Demand at Generation (%)	(3) Energy Related Cost (\$)	(4) Demand Related Cost (\$)	(5) Total Capacity Costs (\$)	(6) Projected Sales at Meter (kwh)	(7) Billing KW Load Factor (%)	(8) Projected Billed KW at Meter (kw)	(9) Capacity Recovery Factor (\$/kw)	(10) Capacity Recovery Factor (\$/kwh)
RS1	53.28639%	58.10925%	\$23,808,126	\$311,555,509	\$335,363,635	53,694,499,279	-	-	-	0.00625
GS1	6.03961%	6.45151%	\$2,698,473	\$34,590,078	\$37,288,551	6,085,869,172	-	-	-	0.00613
GSD1	22.61003%	20.91019%	\$10,102,062	\$112,110,990	\$122,213,052	22,784,873,809	50.00702%	51,970,307	2.35	-
OS2	0.02131%	0.02302%	\$9,522	\$123,427	\$132,949	22,034,093	-	-	-	0.00603
GSLD1/CS1	10.35320%	8.93401%	\$4,625,765	\$47,900,099	\$52,525,864	10,444,350,417	65.06632%	21,988,841	2.39	-
GSLD2/CS2	1.69653%	1.38472%	\$758,001	\$7,424,217	\$8,182,218	1,721,709,924	66.42656%	3,550,548	2.30	-
GSLD3/CS3	0.17037%	0.13596%	\$76,118	\$728,956	\$805,074	180,075,156	69.07629%	357,110	2.25	-
ISST1D	0.00000%	0.00000%	\$0	\$0	\$0	0	61.46847%	0	**	-
SST1T	0.13855%	0.08694%	\$61,903	\$466,135	\$528,038	146,444,940	16.91303%	1,186,124	**	-
SST1D	0.05733%	0.05046%	\$25,614	\$270,540	\$296,154	58,882,752	61.46847%	131,224	**	-
CILC D/CILC G	3.40759%	2.58193%	\$1,522,496	\$13,843,149	\$15,365,645	3,462,136,755	73.29325%	6,470,791	2.37	-
CILC T	1.50522%	1.05611%	\$672,528	\$5,662,400	\$6,334,928	1,591,014,236	80.20421%	2,717,403	2.33	-
MET	0.09065%	0.09432%	\$40,504	\$505,699	\$546,203	93,722,226	56.00086%	229,258	2.38	-
OL1/SL1/PL1	0.54683%	0.12907%	\$244,322	\$692,024	\$936,346	551,019,353	-	-	-	0.00170
SL2	0.07639%	0.05252%	\$34,131	\$281,564	\$315,695	76,974,890	-	-	-	0.00410
TOTAL			\$44,679,565	\$536,154,791	\$580,834,356	100,913,607,000		88,601,606		

CAPACITY RECOVERY FACTORS FOR STANDBY RATES

Note: There are currently no customers taking service on Schedule ISST1(T). Should any customer be taking service on this schedule during the period, they will be billed using the ISST(D) Factor.

- (1) Obtained from Page 2, Col(8)
- (2) Obtained from Page 2, Col(9)
- (3) (Total Capacity Costs/13) \* Col (1)
- (4) (Total Capacity Costs/13 \* 12) \* Col (2)
- (5) Col (3) + Col (4)
- (6) Projected kwh sales for the period January 2004 through December 2004
- (7) (kWh sales / 8760 hours)/((avg customer NCP)/(8760 hours))
- (8) Col (6) / ((7) \*730) For GSD-1, only 83.265% of KW are billed due to 10 KW exemption
- (9) Col (5) / ( 8)
- (10) Col (5) / (6)

Totals may not add due to rounding.

Reservation		
Demand =	$(\text{Total col 5}) / (\text{Doc 2, Total col 7}) / (10) / (\text{Doc 2, col 4})$	
Charge (RDC)	12 months	
Sum of Daily		
Demand =	$(\text{Total col 5}) / (\text{Doc 2, Total col 7}) / (21 \text{ onpeak days}) / (\text{Doc 2, col 4})$	
Charge (SDD)	12 months	
	<b>CAPACITY RECOVERY FACTOR</b>	
	RDC	SDD
	** (\$/kw)	** (\$/kw)
ISST1 (D)	\$0.29	\$0.14
SST1 (T)	\$0.27	\$0.13
SST1 (D)	\$0.28	\$0.13