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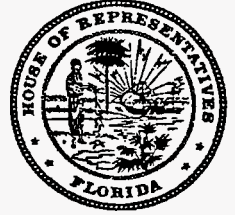


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Charles J. Beck  
Deputy Public Counsel

August 2, 2005

Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

RECEIVED FPSC  
05 AUG - 2 PM 4: 17  
COMMISSION  
CLERK

Re: Docket Nos. 050045-EI & 050188-EI

Dear Ms. Bayo:

Enclosed for filing, on behalf of the Office of Public Counsel, is the originals and 15 copies of the **Revised** Schedules (Nos. 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16) for KHD-1. Please replace the original KHD-1 schedules (Nos. 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16) that were filed with the Direct Testimony of Kimberly H. Dismukes

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

- CMP \_\_\_\_\_
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Sincerely,

Charles J. Beck  
Deputy Public Counsel

DOCUMENT NUMBER - DATE

07463 AUG-2 05

FPSC-COMMISSION CLERK

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Revised

**Florida Power & Light Company**  
**Affiliate Charges**  
**Integrated Supply Chain Service Fee Allocated to FPL Energy-Fossil**

Allocation Method	Numerator/Denominator	FERC		2006 (Projected)	
		Account	Account Name	Dollars To Be Allocated	Dollars Allocated
Allocation based on Rated Megawatts of FPL and FPLE	N = FPLE Rated Fossil Megawatts D = Total Rated Fossil Megawatts	456000	Other Electric Revenues	[REDACTED]	[REDACTED]
		5XXXXX	Various O&M Accounts		
		922130	A&G Ex Transferred - Assoc Com		
		926122	Pension & Welfare Transferred		
		922.000	Admin Expenses Transferred		
				[REDACTED]	[REDACTED]
OPC Recommended Allocation				[REDACTED]	[REDACTED]
OPC Recommended Allocation Factor				[REDACTED]	[REDACTED]
Difference--Adjustments to FPL 2006 Expenses				[REDACTED]	[REDACTED]

N/A = Not Available. Only the total could be determined because the Company did not provide the necessary data by account for 2006.

Source: Response to OPC Interrogatory 22, 22 Revised, 119, and 125; Company 10-Year Site Plan;  
[http://www.fplenergy.com/portfolio/contents/portfolio\\_by\\_source.shtml](http://www.fplenergy.com/portfolio/contents/portfolio_by_source.shtml); [http://www.fplenergy.com/portfolio/contents/portfolio\\_by\\_region.shtml](http://www.fplenergy.com/portfolio/contents/portfolio_by_region.shtml).

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 07463 AUG-28  
 DOCUMENT NUMBER 0111



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**Florida Power & Light Company**  
**Affiliate Charges**  
**Integrated Supply Chain Service Fee Allocated to FPL Energy - Seabrook**

Allocation Method	Numerator/Denominator	FERC Account	Account Name	2006 (Projected)	
				Dollars To Be Allocated	Dollars Allocated
Allocation based on Rated Megawatts of FPL and FPLE	N = FPLE Rated Nuclear Megawatts D = Total Rated Nuclear Megawatts	456000	Other Electric Revenues	[REDACTED]	[REDACTED]
		5XXXXXX	Various O&M Accounts		
		922130	A&G Ex Transferred - Assoc Com		
		926122	Pension & Welfare Transferred		
		922.000	Admin Expenses Transferred		
FPL Allocation Factor				[REDACTED]	[REDACTED]
OPC Recommended Allocation				[REDACTED]	[REDACTED]
OPC Recommended Allocation Factor				[REDACTED]	[REDACTED]
Difference--Adjustments to FPL 2006 Expenses					[REDACTED]

Source: Response to OPC Interrogatory 22 and 22 Revised.

REDACTED

**Florida Power & Light Company**  
**Affiliate Charges**  
**Nuclear Service Fee Allocated to FPL Energy - Seabrook**

Allocation Method	Numerator/Denominator	FERC Account	Account Name	2006 (Projected)	
				Dollars To Be Allocated	Dollars Allocated
Allocation based on Rated Megawatts of FPL and FPLE	N = FPLE Rated Nuclear Megawatts D = Total Rated Nuclear Megawatts	456000	Other Electric Revenues		
		922000	Adm Expenses Transferred		
		5XXXXXX	Various O&M Accounts		
		922130	A&G Ex Transferred - Assoc Com		
		926122	Pension & Welfare Transferred		
FPL Allocation Factor					
OPC Recommended Allocation					
OPC Recommended Allocation Factor					
Difference--Adjustments to FPL 2006 Expenses					

Source: Response to OPC Interrogatory 22, 22 Revised, and 119; Company 10-Year Site Plan;  
[http://www.fplenergy.com/portfolio/contents/portfolio\\_by\\_source.shtml](http://www.fplenergy.com/portfolio/contents/portfolio_by_source.shtml); [http://www.fplenergy.com/portfolio/contents/portfolio\\_by\\_region.shtml](http://www.fplenergy.com/portfolio/contents/portfolio_by_region.shtml).

**REDACTED**

**Florida Power & Light Company  
 Affiliate Charges  
 Power Generation Service Fee Allocated to FPL Energy**

Allocation Method (1)	Numerator/Denominator	FERC Account	Account Name	2006 (Projected)	
				Dollars To Be Allocated	Dollars Allocated
N/A	N/A	456	Other Electric Revenues		[REDACTED]
		922	Adm Expenses Transferred		
		506	Misc Steam Power Expenses		
		926	Pension & Welfare Transferred		
				[REDACTED]	

Note: The Company's response to OPC Interrogatory indicates that this is not an allocation, but a direct charge.

(1) Company notation: The PGD Fee amount is broken down into two components: 1) Common Support and 2) Direct Support to FPLE Plants. The Direct Support component of the budgeted Fee amount is provided to the PGD Business Services Group by the individual FPLE plants based on the level of support expected in the subject year. The Common Support component of the budgeted Fee amount consists of two types of costs: time and travel. Travel is estimated based on prior year's actual charges, adjusted for any expected increases or decreases in the subject year. Time costs are calculated by estimating the percentage of time expected to be spent on FPLE fleet-wide projects times the annual salary of each fleet team manager and staff.

Source: Response to OPC Interrogatory 22 and 316.

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**Florida Power and Light Company  
 Affiliate Charges  
 FPL FiberNet Rate on Investment Charges to FPL**

Cost Component	Allocation Method	Numerator/Denominator	2006 (Projected)	
			Dollars To Be Allocated	Dollars Allocated
<u>Asset Base for ROI 2005 (1)</u>				
Fiber	Exclusive FPL use fiber	N = FPL capacity ; D = FiberNet total capacity	[REDACTED]	[REDACTED]
Shared Fiber	Ratio of FPL capacity (DS3's) to FiberNet total capacity (DS3's)			
Electronics	Exclusive FPL use electronics	N = FPL capacity ; D = FiberNet total capacity		
Shared Electronics	Ratio of FPL capacity (DS3's) to FiberNet total capacity (DS3's)			
Capital Spares				
NOC Assets				
Accumulated Depreciation	Ratio of FPL Asset base to FPL FiberNet total asset base	N = FPL asset base; D = FiberNet total asset base		
Total Allocated Asset Base				
ROI Rate				
ROI				
2006 FPL Estimate				
Percent Increase 2006 over 2005				
OPC Recommended ROI Rate				
OPC Recommended ROI				
2006 OPC Estimate				
Difference--Adjustments to FPL 2006 Expenses				

(1) Analogous detail was not provided for 2006. Therefore, 2006 was estimated.

Source: Response to OPC Interrogatory 22 and 26(b).

**Florida Power & Light Company**  
**Affiliate Charges**  
**From FPL Energy Services to FPL**

Transaction	Allocation Method Including Numerator/Denominator	2006 (Projected)	
		Dollars To Be Allocated	Dollars Allocated
FL Gas Margin	<u>Therms invoiced to customers (In-Territory)</u> Total therms invoiced to customers (In/Out Territory)	\$0	\$0
OPC Recommended Allocation			\$ 2,746,000
OPC Recommended Allocation Factor (1)			100.00%
Difference--Adjustments to FPL 2006 Revenue			\$ 2,746,000
Retail Gas in Territory Revenue 2006			\$ 55,349,000
Retail Gas in Territory Expenses 2006			<u>53,615,000</u>
Retail Gas in Territory Gas Margins 2006			\$ 1,734,000
Bill Insert Retail Revenue 2006			\$ 1,068,000
Bill Insert Retail Expenses 2006			<u>56,000</u>
Bill Insert Retail Net Revenue 2006			\$ 1,012,000
Total Net Revenue			\$ 2,746,000
Less Allocation of A&G Expenses			
Net Revenue Attributable to FPL Retail			\$ 2,746,000

(1) The amount provided by the Company was provided for the in territory retail gas sales.

Source: Response to OPC Interrogatory 2 and 331.



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**Florida Power & Light Company  
 Affiliate Charges  
 From FPL Group, Inc. to FPL**

Allocation Method	Numerator/Denominator	FERC Account	Account Name	2006	2006
				Total Dollars To Be Allocated	Total Dollars Allocated to FPL
<b>Massachusetts Formula</b>					
See response to OPC 1st Request for Production of Documents	N = Property, Plant & Equipment, Revenues & Payroll of Affiliates	920.000	Administrative & General Salaries		
# 38: Cost Allocation Manual	D = Total Property, Plant & Equipment, Revenues & Payroll	926.000	Employee Pensions & Benefits		
		930.200	Miscellaneous General Expenses		

**Note:** Costs for FPL Group Inc. are allocated to FPL using the Massachusetts Formula and are included in the AMF. Amounts for 2006 are estimated in the AMF, however, FPL does not budget to the level where the FPL Group only amounts can be identified.

Source: Response to OPC Interrogatory 22.

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**Florida Power & Light Company**  
**Affiliate Charges**  
**Affiliate Management Fee Allocated to FPL Group Capital**

Allocation Method	Numerator/Denominator	FERC Account	Account Name	2006 (Projected)	
				Dollars To Be Allocated	Dollars Allocated
See response to OPC 1st Request for Production # 38: Cost Allocation Manual	N = Property, Plant & Equipment, Revenues & Payroll of Affiliates D = Total Property, Plant & Equipment, Revenues & Payroll	922000	Adm Expenses Transferred		
OPC Recommended Allocation					
OPC Recommended Allocation Factor					
Difference--Adjustments to FPL 2006 Expenses					

Source: Response to OPC Interrogatory 22; POD 90.

**Florida Power & Light Company**  
**Adjustment for FPL New England Division (NED)**

<u>Development of Allocation Factor</u>				Percent of	Allocation to	Allocation	Jurisdictional
<u>Account</u>	<u>FPL</u>	<u>FPL-NED</u>	<u>Total</u>	<u>Total FPL-NED</u>	<u>FPL-NED</u>	<u>Factor</u>	<u>Adjustment</u>
Plant in Service	\$ 25,449,636,449	\$ 30,675,471	\$ 25,480,311,920	0.120%			
Expenses	\$ 6,468,817,898	\$ 6,905,016	\$ 6,475,722,914	0.107%			
Revenue	\$ 9,467,270,688	\$ 11,280,992	\$ 9,478,551,680	0.119%			
Weighted Average Allocation Factor				0.115%			
Transmission Station Equipment Exp	\$ 1,990,799	\$ 6,905,016	\$ 8,895,815	77.62%			
Maintenance Expense Stat Equip & Overhead Lines	\$ 15,501,614	\$ 1,369,818	\$ 16,871,432	8.12%			
Transmission Expenses Stat. Equip & Overhead Lines	\$ 85,132,153	\$ 6,905,016	\$ 92,037,169	7.50%			
<u>Allocation of Administrative and General Expenses</u>							
Administrative and General Expenses					\$ 461,049,683		
FPL-NED Allocation Factor					0.115%		
FPL-NED Administrative and General Expense Allocation					\$ 531,796	0.99051	\$ (526,749)
<u>Allocation of Transmission Maintenance Expenses</u>							
Station Equipment Maintenance Expenses					\$ 1,764,753		
FPL-NED Allocation Factor					77.62%		
FPL-NED Station Maintenance Expense Allocation					\$ 1,369,818		
<u>Allocation of Transmission Supervision and Engineering</u>							
Maintenance Supervision and Engineering					\$ 2,631,493		
FPL-NED Allocation Factor					8.12%		
FPL-NED Maint. Supervision and Engineering					\$ 213,655		
<u>Allocation of Transmission Supervision and Engineering</u>							
Operation Supervision and Engineering					\$ 6,976,734		
FPL-NED Allocation Factor					7.50%		
FPL-NED Operation Supervision and Engineering					\$ 132,399		
Total Transmission Expense Allocation					\$ 1,715,872	0.98685	\$ (1,693,308)
<u>Allocation of Property Taxes</u>							
Property Taxes					\$ 254,061,871		
FPL-NED Allocation Factor					0.120%		
FPL-NED Property Taxes					\$ 305,862	0.99299	\$ (303,719)
<u>Allocation of Payroll Taxes</u>							
Payroll Taxes					\$ 44,547,545		
FPL-NED Allocation Factor					0.107%		
FPL-NED Payroll Taxes					\$ 47,501	0.99544	\$ (47,284)
Total Adjustment					\$ (2,601,032)	0.98848	\$ (2,571,061)

**Florida Power & Light Company**  
**Summary of OPC Recommended Adjustments**

Adjustments	Total Company Revenue	Total Company Expense	Total Company Rate Base	Jurisdictional Allocation Factor	FPL Jurisdictional Revenue	FPL Jurisdictional Expense	FPL Jurisdictional Rate Base
Affiliate Management Fee		\$(14,309,779)		98.848%		\$(14,144,890)	
Integrated Supply Chain Service Fee Allocated to FPL Energy-Fossil		(127,904)		98.848%		(126,430)	
Energy, Marketing and Trading Service Fee Allocated to FPL Energy		(31,615)		98.848%		(31,251)	
Integrated Supply Chain Service Fee Allocated to FPL Energy - Seabrook		(15,406)		99.284%		(15,296)	
Nuclear Service Fee Allocated to FPL Energy - Seabrook		(204,834)		99.284%		(203,368)	
Fiber Net Charges to FPL		(1,343,816)		99.544%		(1,337,693)	
FPLES Gas Margin Revenue	\$ 2,746,000			100.000%	\$ 2,746,000		
FPLES Administrative Fee	78,000			100.000%	78,000		
Turbine - Spare Parts			\$(25,088,000)	98.439%			\$ (24,696,351)
FPL New England Division (Seabrook Transmission Substation)		(2,601,032)		98.848%		(2,571,061)	
Advertising Expenses		(475,860)		100.000%		(475,860)	
Charitable Contributions		(1,548,000)		99.544%		(1,540,936)	
<b>Total</b>	<u>\$ 2,824,000</u>	<u>\$(20,658,247)</u>	<u>\$(25,088,000)</u>		<u>\$ 2,824,000</u>	<u>\$(20,446,785)</u>	<u>\$ (24,696,351)</u>