

STEEL ■
HECTOR
& DAVIS
INTERNATIONALSM

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

September 7, 2005

-VIA OVERNIGHT 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. 050007-EI

Dear Ms. Bayó:

I am enclosing for filing in the above docket the original and seven (7) copies of Florida Power & Light Company's Petition for Approval of Environmental Cost Recovery Factors for Period January 2006 Through December 2006 and Approval of the Regional Haze Rule, Best Available Retrofit Technology Compliance Project, together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows XP, and the word processing software in which the document appears is Word 2000.

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 and R.R. LaBauve.

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

Sincerely,

Karel M. Dubin
John T. Butler *for JTB*

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

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost)
 Recovery Clause)

DOCKET No. 050007-EI
Filed: September 8, 2005

**PETITION FOR APPROVAL OF ENVIRONMENTAL COST RECOVERY FACTORS
FOR THE PERIOD JANUARY 2006 THROUGH DECEMBER 2006
AND APPROVAL OF THE REGIONAL HAZE RULE, BEST AVAILABLE RETROFIT
TECHNOLOGY COMPLIANCE PROJECT**

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 ("ECR") 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 2006 through December 2006 billing period; and to approve the Regional Haze Rule, Best Available Retrofit Technology (BART) Compliance Project, such that the reasonable costs incurred by FPL in connection with that project subsequent to the date of this petition may be recovered through the ECR Clause. 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. 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 2006 through December 2006 as set forth in the testimony and documents of FPL witness 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 \$26,359,013, including \$31,263,335 of 2006 environmental project costs decreased by the estimated/actual over-recovery of \$4,418,213 for the period January 2005 through December 2005 as filed on August 8, 2005 and decreased by the final over-recovery of \$505,074 for the period January 2004 through December 2004 as filed on April 1, 2005.

3. FPL witness R.R. LaBauve's prepared testimony and documents present a new environmental compliance activity for recovery through the Environmental Cost Recovery Clause: the BART Compliance Project. Mr. LaBauve's testimony includes a description of the project, an identification of the environmental law or regulation requiring FPL to undertake the project, the forecasted costs associated with the project and a description of the steps FPL is taking to ensure that the environmental compliance costs to be incurred by FPL pursuant to the project are prudent, and a demonstration of the appropriateness of the project. This information shows that the BART Compliance Project meets the requirements for recovery set forth in Section 366.8255, Florida Statutes and that the forecasted environmental compliance costs associated with the project are prudent.

4. The calculations of environmental costs for the period January 2006 through December 2006, are contained in Commission schedules 42-1P through 42-7P which are attached as Appendix I to the prepared testimony of FPL witness K.M. Dubin.

WHEREFORE, FPL respectfully requests the Commission to (1) approve the Environmental Cost Recovery Factors requested herein for the January 2006 through December 2006 billing period, effective starting with meter readings scheduled to be read on or after Cycle Day 3, and to continue these charges in effect until modified by subsequent order of this Commission; and (2) approve the BART Compliance Project such that the reasonable costs incurred by FPL in connection with that project subsequent to the date of this petition may be recovered through the ECR Clause.

Respectfully submitted,

R. Wade Litchfield, Esq.
Associate General Counsel
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
Telephone: (305) 577-2939
Attorneys for Florida Power
& Light Company

By: *Kevin M. Butri for JTB*

John T. Butler
Florida Bar No. 283479

CERTIFICATE OF SERVICE
Docket No. 050007-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 2006 through December 2006 and Approval of the Regional Haze Rule, Best Available Retrofit Technology Compliance Project has been furnished by overnight delivery (*), or U.S. mail this 7th day of September, 2005 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

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

Charles Beck/Harold McLean/
Patricia Christensen
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Tallahassee, FL 32399

James A. McGee, Esq.
Progress Energy Florida, Inc.
P. O. Box 14042
Room 812
St. Petersburg, FL 33733

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

Timothy J. Perry, Esq.
McWhirter Reeves
Attorneys for FIPUG
117 South Gadsden Street
Tallahassee, FL 32301

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

Gary V. Perko, Esq.
Hopping Law Firm
Attorneys for Progress Energy Florida, Inc.
P.O. Box 6526
Tallahassee, Florida 32314

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

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

By: *Kevin M. Butler* for JTB
John T. Butler

Form 42-7P

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of Environmental Cost Recovery Clause Factors
January 2006 to December 2006

Rate Class	(1) Percentage of KWH Sales at Generation (%)	(2) Percentage of 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 (KWH)	(9) Environmental Cost Recovery Factor (\$/KWH)
RS1/RST1	53.01343%	57.80473%	56.30369%	\$8,569,668	\$5,355,360	\$523,262	\$14,448,290	56,154,546,406	0.00026
GS1/GST1	5.95040%	6.14592%	6.52761%	\$961,887	\$569,394	\$60,665	\$1,591,946	6,302,963,545	0.00025
GSD1/GSDT1/HLTF(21-499 kW)	22.90286%	21.45790%	21.50277%	\$3,702,268	\$1,987,982	\$199,837	\$5,890,087	24,261,580,778	0.00024
OS2	0.01998%	0.01784%	0.06514%	\$3,230	\$1,653	\$605	\$5,488	21,673,112	0.00025
GSLD1/GSLDT1/CS1/CST1/HLTF(500-1,999 kW)	10.53771%	9.04388%	9.29680%	\$1,703,430	\$837,877	\$86,400	\$2,627,707	11,173,396,179	0.00024
GSLD2/GSLDT2/CS2/CST2/HLTF(2,000+ kW)	1.76146%	1.42991%	1.45219%	\$284,741	\$132,475	\$13,496	\$430,712	1,878,264,232	0.00023
GSLD3/GSLDT3/CS3/CST3	0.20128%	0.14792%	0.17003%	\$32,537	\$13,704	\$1,580	\$47,821	222,929,191	0.00021
ISST1D	0.00000%	0.00000%	0.00000%	\$0	\$0	\$0	\$0	0	0.00022
ISST1T	0.00000%	0.00000%	0.00000%	\$0	\$0	\$0	\$0	0	0.00020
SST1T	0.09796%	0.04160%	0.24095%	\$15,836	\$3,854	\$2,239	\$21,929	108,503,253	0.00020
SST1D1/SST1D2/SST1D3	0.02492%	0.01821%	0.02420%	\$4,029	\$1,687	\$225	\$5,941	26,525,298	0.00022
CILC D/CILC G	3.37579%	2.58241%	2.46588%	\$545,699	\$239,249	\$22,917	\$807,865	3,603,481,527	0.00022
CILC T	1.41805%	1.03222%	1.06651%	\$229,229	\$95,630	\$9,912	\$334,771	1,570,596,934	0.00021
MET	0.09198%	0.09371%	0.09986%	\$14,868	\$8,682	\$928	\$24,478	99,779,318	0.00025
OL1/SL1/PL1	0.54065%	0.13934%	0.74364%	\$87,396	\$12,910	\$6,911	\$107,217	572,679,081	0.00019
SL2, GSCU1	0.06353%	0.04440%	0.04073%	\$10,270	\$4,114	\$379	\$14,763	67,298,145	0.00022
TOTAL				\$16,165,086	\$9,264,571	\$929,357	\$26,359,013	106,064,217,000	0.00025

Note: 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 2006 through December 2006

(9) Col 7 / Col 8 x 100