

ORIGINAL

Timolyn Henry

From: John Butler [John.Butler@steelhector.com]
Sent: Monday, October 10, 2005 6:03 PM
To: Filings@psc.state.fl.us
Cc: jbeasley@ausley.com; lwillis@ausley.com; JAS@beggsllane.com; garyp@hgslaw.com; schef@landersandparsons.com; CHRISTENSEN.PATTY@leg.state.fl.us; MCGLOTHLIN.JOSEPH@leg.state.fl.us; tperry@mac-law.com; Marlene Stern; sdriteno@southernco.com; RegDept@Tecoenergy.com
Subject: Docket No. 050007-EI
Attachments: MIA2001_416273_1 (3).DOC

On behalf of Florida Power & Light Company ("FPL"), please accept for electronic filing in Docket No. 050007-EI the attached Preliminary List of Issues and Positions, which totals five pages including the attached certificate of service.

A copy of this filing has been sent electronically to counsel for all parties of record.

Thank you for your assistance with filing.

Sincerely,

John T. Butler
Squire Sanders & Dempsey, LLP, including
Steel Hector & Davis LLP
Suite 4000
200 South Biscayne Boulevard
Miami, Florida 33131-2398
Tel.: 305-577-7000
Fax: 305-358-7336

CMP _____
COM 5
CTR _____
ECR _____
GCL _____
OPC _____
RCA _____
SCR _____
SGA _____
SEC 1
OTH _____

DOCUMENT NUMBER-DATE

09725 OCT 11 2

REG. COMMISSION CLERK

10/11/2005

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental cost recovery clause.

DOCKET NO. 050007-EI

FILED: October 10, 2005

FLORIDA POWER & LIGHT COMPANY'S
PRELIMINARY LIST OF ISSUES AND POSITIONS

Pursuant to Order No. PSC-05-264-PCO-EI, issued March 10, 2005, establishing the prehearing procedure in this docket, Florida Power & Light Company ("FPL") hereby files its Preliminary List of Issues and Positions.

1. **What are the final environmental cost recovery true-up amounts for the period ending December 31, 2004?**

FPL: \$505,074 over recovery including interest.

2. **What are the estimated environmental cost recovery true-up amounts for the period January 2005 through December 2005?**

FPL: \$4,418,213 over recovery including interest.

3. **What are the projected environmental cost recovery amounts for the period January 2006 through December 2006?**

FPL: \$31,263,335.

4. **What are the environmental cost recovery amounts, including true-up amounts for the period January 2006 through December 2006?**

FPL: \$26,359,013.

5. **What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2006 through December 2006?**

FPL: The depreciation rates used to calculate the depreciation expense should be the rates that are in effect during the period the allowed capital investment is in service.

DOCUMENT NUMBER-DATE

09725 OCT 11 05

FPSC-COMMISSION CLERK

6. What are the appropriate jurisdictional separation factors for the projected period January 2006 through December 2006?

FPL: Energy Jurisdictional factor - 98.53348%;
 CP Demand Jurisdictional Factor - 98.62224%;
 GCP Demand Jurisdictional Factor - 100%.

7. What are the appropriate environmental cost recovery factors for the period January 2006 through December 2006, for each rate group?

FPL:

<u>Rate Class</u>	<u>Environmental Cost Recovery Factor (\$/KWH)</u>
RS1/RST1	0.00026
GS1/GST1	0.00025
GSD1/GSDT1/HLTF(21-499 kW)	0.00024
OS2	0.00025
GSLD1/GSLDT1/CS1/CST1/HLTF(500- 1,999 kW)	0.00024
GSLD2/GSLDT2/CS2/CST2/HLTF(2,000+ kW)	0.00023
GSLD3/GSLDT3/CS3/CST3	0.00021
ISST1D	0.00022
ISST1T	0.00020
SST1T	0.00020
SST1D1/SST1D2/SST1D3	0.00022
CILC D/CILC G	0.00022
CILC T	0.00021
MET	0.00025
OL1/SL1/PL1	0.00019
SL2, GSCU1	0.00022

8. What should be the effective date of the environment cost recovery factors for billing purposes?

FPL: The factors should be effective beginning with the specified environmental cost recovery cycle and thereafter for the period January 2006 through December 2006. Billing cycles may start before January 1, 2006, and the last cycle may be read after December 31, 2006, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

COMPANY SPECIFIC ISSUES.

Florida Power & Light Co. (FPL)

9A: Should the Commission approve FPL's request for recovery of costs for a 10 year Hydrobiological Monitoring Program associated with FPL's makeup water withdrawals from the Little Manatee River for its Manatee Unit 3 generating unit?

FPL: Yes.

9B: How should FPL's environmental costs for the Little Manatee River Hydrobiological Monitoring Program be allocated to the rate classes?

FPL: The operating and maintenance costs should be allocated to the rate classes on an average 12 coincident peak demand basis.

9C: Should the Commission approve FPL's request for recovery of study costs and costs to retrofit various power plants to comply with the Clean Air Interstate Rule?

FPL: Yes.

9D: How should FPL's environmental costs for compliance with the Clean Air Interstate Rule be allocated to the rate classes?

FPL: The operating and maintenance costs should be allocated to the rate classes on an energy basis. The capitalized costs should be allocated to the rate classes on an average 12 coincident peak demand and 1/13 average demand basis consistent with Commission Order No. PSC-05-0902-S-EI, issued September 14, 2005, in Docket No. 050045-EI, In Re: Petition for rate increase by Florida Power & Light Company.

9E: Should the Commission approve recovery of FPL's legal costs to challenge the Clean Air Interstate Rule?

FPL: Yes.

9F: How should FPL's legal costs to challenge the Clean Air Interstate Rule be allocated to the rate classes?

FPL: The legal expenses should be treated as operating and maintenance costs and allocated to the rate classes on an energy basis.

9G: Should the Commission approve FPL's request for recovery of costs to model potential visibility degradation in any Class 1 Federal Area associated with air emissions from its electric generating units pursuant to the Regional Haze (BART) Rule?

FPL: Yes.

9H: How should FPL's environmental costs for modeling potential visibility degradation pursuant to the Regional Haze (BART) Rule be allocated to the rate classes?

FPL: The operating and maintenance costs should be allocated to the rate classes on an energy basis.

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

Squire, Sanders & Dempsey LLP
including 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: s/ John T. Butler
John T. Butler
Fla. 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 Preliminary List of Issues and Positions has been furnished electronically this 10th day of October, 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

Charles J. Beck, Esq.
Patricia A. Christensen, 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

Robert Scheffel Wright, Esq.
John Thomas LaVia, III, Esq.
Landers & Parsons, P.A.
310 West College Avenue
Tallahassee, Florida 32301

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

Gary V. Perko, Esq.
Hopping Green & Sams
P. O. Box 6526
Tallahassee, FL 32314

Timothy J. Perry, 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: s/: John T. Butler
John T. Butler