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March 1, 2006

-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. 060001-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 Fuel Cost Recovery and Capacity Cost Recovery True-Ups for the Period Ending December 2005, and Florida Power & Light Company's Request for Confidential Classification of Short Term Capacity Payment Information, 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. Pursuant to Rule 25-22.006, F.A.C., I am also enclosing one highlighted and two redacted copies of the document that is the subject of this confidentiality request.

Also enclosed for filing are the original and fifteen (15) copies of the prefiled testimony and documents of Florida Power & Light Company witness K. M. Dubin.

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

- 01796-06 - Petition
- 01797-06 - REQUEST
- 01798-06 - CONFIDENTIAL
- 01799-06 - REDACTED
- 01800-06 - JUSTIFICATION
- 01801-06 - DUBIN TESTIMONY

Sincerely,

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

Enclosures

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

RECEIVED & FILED

[Signature]
FLORIDA PUBLIC SERVICE COMMISSION

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ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 060001-EI
Filed: March 1, 2006

**PETITION FOR APPROVAL OF FUEL COST RECOVERY AND
CAPACITY COST RECOVERY NET TRUE-UPS
FOR THE PERIOD ENDING DECEMBER 2005**

Florida Power & Light Company ("FPL") hereby petitions this Commission for approval of FPL's Net Fuel and Purchased Power Cost Recovery ("FCR") true-up amount of \$307,437,600 under-recovery, and Net Capacity Cost Recovery ("CCR") true-up amount of \$3,305,688 over-recovery for the period ending December 2005. In support of this Petition, FPL states as follows:

1. The \$307,437,600 net FCR true-up under-recovery for the period January 2005 through December 2005 was calculated in accordance with the methodology set forth in Schedule 1, page 2 of 2, attached to Order No. 10093, dated June 19, 1981. This calculation and the supporting documentation are contained in the prepared testimony and exhibits of FPL witness K.M. Dubin, which are being filed together with the Petition and are incorporated herein by reference.

2. On October 14, 2005 FPL filed an estimated/actual true-up amount for 2004 and 2005 of \$972,734,535. In Order No. PSC-05-1252-FOF-EI, dated December 23, 2005, the Commission held that:

"The level of FPL's under-recoveries for the period of October through December of 2005 is estimated to be \$229,594,406.... FPL's total fuel adjustment true-up amount to be collected in 2006 [is] \$743,140,130, which reflects recovery of FPL's 2004 final true-up and 2005 actual true-up amounts."

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Thus, of the total \$972,734,535 estimated/actual under-recovery, the Commission directed FPL to include only the \$743,140,130 actual true-up under-recovery through September 2005 in calculating the FCR factor for 2006. This left the true-up under-recovery for October through December 2005 (estimated at \$229,594,406) to be deferred for recovery in 2007. FPL has determined that the actual under-recovery for those months is \$307,437,600, a variance of \$77,843,195 from the estimate. This net FCR true-up under-recovery of \$307,437,600 is to be included in the calculation of the FCR Factors for the period beginning January 2007.

3. As shown on the year-to-date December 2005 Schedule A6 that was filed with the Commission on January 20, 2006, FPL's 2005 gain on off-system sales was \$21,022,022. This exceeds by \$5,651,172 the \$15,370,850 benchmark approved by the Commission in Order No. PSC-05-1252-FOF-EI. Consistent with Commission Order No. PSC-00-1744-PAA-EI, issued in Docket No. 991779-EI on September 26, 2000, this \$5,651,172 exceedance of the benchmark is to be shared, such that 80% (\$4,520,938) goes to customers and 20% (\$1,130,234) goes to FPL shareholders. FPL is requesting that the Commission approve \$1,130,234 as its Shareholder Incentive for 2005, which amount is reflected in the calculation of the net FCR true-up described in Paragraph 2.

4. The \$3,305,688 net CCR true-up over-recovery for the period January 2005 through December 2005 was calculated in accordance with the methodology set forth in Order No. 25773, dated February 24, 1992. This calculation and the supporting documentation are contained in the prepared testimony and exhibits of FPL witness K.M. Dubin.

5. By Order No. PSC-05-1252-FOF-EI, the Commission approved CCR Factors for the period commencing January 2006. These factors reflected an estimated/actual true-up under-recovery, including interest, for the period January 2005 through December 2005 of

\$12,294,835, which was also approved in Order No. PSC-05-1252-FOF-EI. The actual under-recovery, including interest, for the period January 2005 through December 2005 is \$8,989,147. The \$8,989,147 actual under-recovery, less the estimated/actual under-recovery of \$12,294,835 which is currently reflected in charges for the period beginning January 2006, results in a net CCR true-up over-recovery of \$3,305,688 that is to be included in the calculation of the CCR Factors for the period beginning January 2007.


WHEREFORE, Florida Power & Light Company respectfully requests the Commission to approve FPL's net FCR true-up amount of \$307,437,600 under-recovery and authorize the inclusion of this amount in the calculation of the FCR Factors for the period beginning January 2007; to approve \$1,130,234 as FPL's FCR Shareholder Incentive for 2005, which amount is reflected in the calculation of the net FCR true-up; and to approve FPL's net CCR true-up amount of \$3,305,688 over-recovery for the period ending December 2005 and authorize the inclusion of this amount in the calculation of the CCR Factors for the period beginning January 2007.

Respectfully submitted,

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Attorneys for Florida Power & Light
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By: 
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Fla. Bar No. 283479

CERTIFICATE OF SERVICE
Docket Nos. 060001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing Florida Power & Light Company Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Net True-Ups for the Period Ending December 2005 has been furnished by hand delivery (*) or United States Mail on this 1st day of March 2006, to the following:

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