

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 090001-EI
FLORIDA POWER & LIGHT COMPANY**

MARCH 9, 2009

**IN RE: LEVELIZED FUEL COST RECOVERY
AND CAPACITY COST RECOVERY
FINAL TRUE-UP**

JANUARY 2008 THROUGH DECEMBER 2008

TESTIMONY & EXHIBITS OF:

T. J. KEITH

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
FLORIDA POWER & LIGHT COMPANY
TESTIMONY OF TERRY J. KEITH
DOCKET NO. 090001-EI
MARCH 9, 2009

Q. Please state your name, business address, employer and position.

A. My name is Terry J. Keith and my business address is 9250 West Flagler Street, Miami, Florida, 33174. I am employed by Florida Power & Light Company (FPL or the Company) as Director, Cost Recovery Clauses in the Regulatory Affairs Department.

Q. Please state your education and business experience.

A. I graduated from North Carolina Agricultural & Technical State University with a Bachelor's degree in Accounting in 1977. I subsequently earned a Master of Business Administration degree from the University of Wisconsin in 1982. Prior to joining FPL in 2006, I held various accounting positions at Phillips Petroleum Company and later Centel Corporation. At FPL, I held positions of increasing responsibility in the Accounting Department, including various supervision assignments relating to accounting research, financial reporting, development and application of overhead rates, and property accounting. I spent ten years in the Regulatory Affairs Department as Principal Regulatory Coordinator and later as Regulatory Issues Manager

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1 primarily responsible for managing and coordinating regulatory accounting
2 and finance dockets. In 2008, I assumed my current position as Director, Cost
3 Recovery Clauses, where I am responsible for providing direction as to the
4 appropriateness of cost recovery through a cost recovery clause and the overall
5 preparation and filing of all cost recovery clause documents including
6 testimony and discovery.

7 **Q. What is the purpose of your testimony in this proceeding?**

8 A. The purpose of my testimony is to present the schedules necessary to support
9 the actual Fuel Cost Recovery (FCR) Clause and Capacity Cost Recovery
10 (CCR) Clause Net True-Up amounts for the period January 2008 through
11 December 2008. The Net True-Up for the FCR is an under-recovery,
12 including interest, of \$79,321,012. The Net True-Up for the CCR is an under-
13 recovery, including interest, of \$14,920,089. FPL is requesting Commission
14 approval to include the FCR true-up under-recovery of \$79,321,012 in the
15 calculation of the FCR factor for the period January 2010 through December
16 2010. FPL is also requesting Commission approval to include the CCR true-
17 up under-recovery of \$14,920,089 in the calculation of the CCR factor for the
18 period January 2010 through December 2010.

19 **Q. Have you prepared or caused to be prepared under your direction,
20 supervision or control an exhibit in this proceeding?**

21 A. Yes, I have. It consists of two appendices. Appendix I contains the FCR
22 related schedules and Appendix II contains the CCR related schedules. In

1 addition, FCR Schedules A-1 through A-12 for the January 2008 through
2 December 2008 period have been filed monthly with the Commission and
3 served on all parties of record in this docket. Those schedules are
4 incorporated herein by reference.

5 **Q. What is the source of the data that you will present in this proceeding?**

6 A. Unless otherwise indicated, the data are taken from the books and records of
7 FPL. The books and records are kept in the regular course of the Company's
8 business in accordance with generally accepted accounting principles and
9 practices, and with the applicable provisions of the Uniform System of
10 Accounts as prescribed by the Commission.

11

12 **FUEL COST RECOVERY CLAUSE (FCR)**

13

14 **Q. Please explain the calculation of the Net True-up Amount.**

15 A. Appendix I, page 3, entitled "Summary of Net True-Up," shows the
16 calculation of the Net True-Up for the period January 2008 through December
17 2008, an under-recovery of \$79,321,012.

18

19 The Summary of the Net True-up amount shown on Appendix I, page 3 shows
20 the actual End-of-Period True-Up under-recovery for the period January 2008
21 through December 2008 of \$255,605,390 on line 1. The Estimated/Actual
22 True-Up under-recovery for the same period of \$176,284,378 is shown on line

1 2. Line 1 less line 2 results in the Net Final True-Up for the period January
2 2008 through December 2008 shown on line 3, an under-recovery of
3 \$79,321,012.

4

5 The calculation of the true-up amount for the period follows the procedures
6 established by this Commission set forth on Commission Schedule A-2
7 "Calculation of True-Up and Interest Provision."

8 **Q. Have you provided a schedule showing the calculation of the actual true-**
9 **up by month?**

10 A. Yes. Appendix I, pages 4 and 5, entitled "Calculation of Actual True-up
11 Amount," show the calculation of the FCR actual true-up by month for
12 January 2008 through December 2008.

13 **Q. Have you provided a schedule showing the variances between actuals and**
14 **estimated/actuals for 2008?**

15 A. Yes. Appendix I, page 6 provides a comparison of jurisdictional revenues and
16 costs on a dollar per MWh basis. Appendix I, page 7 compares the Actual
17 End of Period Net True-up under-recovery of \$255,605,390 to the
18 Estimated/Actual End of Period Net True-up under-recovery of \$176,284,377
19 resulting in a variance of \$79,321,012.

20 **Q. Please describe the variance analysis on Page 6 of Appendix I.**

21 A. Appendix I, page 6 provides a comparison of Jurisdictional Total Revenues
22 and Jurisdictional Total Fuel Costs and Net Power Transactions on a dollar

1 per MWh basis. The \$79,321,012 variance is due primarily to an increase in
2 the fuel cost per MWh (\$59.12/MWh vs. \$58.49/MWh) that results in a
3 positive variance of \$64,402,834 and a decrease in fuel revenues per MWh
4 (\$58.77/MWh vs. \$58.91/MWh) that results in a negative variance of
5 \$14,829,009. The impact of the MWh variance due to consumption was
6 virtually offset between cost per MWh and revenues per MWh, netting to a
7 decrease of \$713,405. Finally, the variance reflects a decrease of \$624,236 in
8 interest primarily due to lower than expected commercial paper rates.

9

10 **Q. What was the variance in Adjusted Total Fuel Costs and Net Power**
11 **Transactions?**

12 **A.** The variance in Adjusted Total Fuel Costs and Net Power Transactions was
13 \$35,361,301. As shown on Appendix I, page 7, this \$35.4 million decrease in
14 Adjusted Total Fuel Costs and Net Power Transactions is due primarily to a
15 \$31.6 million (0.6%) decrease in the Fuel Cost of System Net Generation, a
16 \$9.1 million (14.3%) decrease in the Energy Cost of Economy Purchases and a
17 \$3.2 million (1.0%) decrease in Fuel Cost of Purchased Power. These
18 amounts are partially offset by a \$6.3 million (3.3%) increase in Energy
19 Payments to Qualifying Facilities and a \$1.1 million (1.8%) decrease in the
20 Fuel Cost of Power Sold.

21

22 As shown on the December 2008 A3 Schedule, the \$31.6 million (0.6%)

1 decrease in the Fuel Cost of System Net Generation is primarily due to a \$39.8
2 million (0.8%) lower than projected natural gas cost, partially offset by a \$8.9
3 million (1.5%) greater than projected heavy oil cost. The natural gas price
4 averaged \$10.24 per MMBtu, \$0.05 per MMBtu (0.5%) higher than projected,
5 but 6,236,773 fewer MMBtus (1.3%) of natural gas were used during the
6 period than projected. Of the \$39.8 million natural gas variance, \$63.6
7 million is due to lower natural gas consumption partially offset by \$23.8
8 million due to higher prices. Heavy oil averaged \$10.30 per MMBtu, \$0.31
9 per MMBtu (3.1%) higher than projected, but 951,657 less MMBtus (1.6%) of
10 heavy oil were used during the period than projected. Of the \$8.9 million
11 heavy oil variance, \$18.4 million is due to higher heavy oil prices partially
12 offset by \$9.5 million due to lower heavy oil consumption.

13

14 The \$9,146,631 decrease in the Energy Cost of Economy Purchases is
15 primarily due to lower than projected economy purchases (246,824 MWh less
16 than projected). This consumption variance accounts for \$17,598,140, which
17 is partially offset by the cost variance of \$8,451,509.

18

19 The \$3.2 million (1.0%) decrease in Fuel Cost of Purchased Power is
20 primarily due to lower than projected energy deliveries due to higher than
21 projected energy rates for the Southern Company UPS contract and lower than
22 projected utilization of FPL's short-term purchased power agreements. This

1 \$3.2 million decrease reflects a \$6.3 million reduction due to lower
2 consumption partially offset by an increase of \$3.1 million due to higher cost.

3

4 The \$6.3 million (3.3%) increase in Energy Payments to Qualifying Facilities
5 is primarily due to an increase in energy purchases from Cedar Bay and ICL.
6 This \$6.3 million variance reflects \$8.9 million due to higher consumption
7 partially offset by a reduction of \$2.6 million due to lower cost.

8

9 The \$1.1 million (1.8%) variance in the Fuel Cost of Power Sold is primarily
10 due to lower than projected fuel costs for economy sales. Power sold was
11 actually higher than projected (13,943 MWh); however the fuel cost of this
12 power was approximately \$.96/MWh less than projected. Of this \$1.1 million
13 variance, \$1,595,811 due to lower cost and \$504,396 is due to higher
14 consumption.

15 **Q. What was the variance in retail (jurisdictional) Fuel Cost Recovery**
16 **revenues?**

17 **A. As shown on Appendix I, page 7, line C3, actual jurisdictional Fuel Cost**
18 **Recovery revenues, net of revenue taxes, were \$115.3 million (1.9%) lower**
19 **than the estimated/actual projection reflecting lower than projected**
20 **jurisdictional sales of 1,706,024,857 kWh (1.6%).**

21 **Q. Pursuant to Commission Order No. PSC-08-0824-FOF-EI, FPL's 2008**
22 **gains on non-separated wholesale energy sales are to be measured against**

1 a three-year average Shareholder Incentive Benchmark of \$19,668,561.

2 Did FPL exceed this benchmark?

3 A. No.

4 Q. What is the appropriate final Shareholder Incentive Benchmark level for
5 calendar year 2009 for gains on non-separated wholesale energy sales
6 eligible for a shareholder incentive as set forth by Order No. PSC-00-
7 1744-PAA-EI in Docket No. 991779-EI?

8 A. For the year 2009, the three year average Shareholder Incentive Benchmark
9 consists of actual gains for 2006, 2007 and 2008 (see below) resulting in a
10 three year average threshold of \$18,328,381.

11 2006 \$19,438,254

12 2007 \$18,545,406

13 2008 \$17,001,482

14

15 Gains on sales in 2009 are to be measured against the three-year average
16 Shareholder Incentive Benchmark of \$18,328,381.

17

18 **CAPACITY COST RECOVERY CLAUSE (CCR)**

19

20 Q. Please explain the calculation of the Net True-up Amount.

21 A. Appendix II, page 3, entitled "Summary of Net True-Up" shows the
22 calculation of the Net True-Up for the period January 2008 through December

1 2008, an under-recovery of \$14,920,089, which FPL is requesting to be
2 included in the calculation of the CCR factors for the January 2010 through
3 December 2010 period.

4
5 The actual End-of-Period under-recovery for the period January 2008 through
6 December 2008 of \$41,752,805 (shown on line 1) less the estimated/actual
7 End-of-Period under-recovery for the same period of \$26,832,716 that was
8 approved by the Commission in Order No. PSC-08-0824-FOF-EI (shown on
9 line 2), results in the Net True-Up under-recovery for the period January 2008
10 through December 2008 (shown on line 3) of \$14,920,089.

11 **Q. Have you provided a schedule showing the calculation of the actual true-**
12 **up by month?**

13 A. Yes. Appendix II, pages 4 and 5, entitled "Calculation of Actual True-up
14 Amount," shows the calculation of the CCR End-of-Period true-up for the
15 period January 2008 through December 2008 by month.

16 **Q. Is this true-up calculation consistent with the true-up methodology used**
17 **for the fuel cost recovery clause?**

18 A. Yes, it is. The calculation of the true-up amount follows the procedures
19 established by this Commission set forth on Commission Schedule A-2
20 "Calculation of True-Up and Interest Provision" for the Fuel Cost Recovery
21 Clause.

22 **Q. Have you provided a schedule showing the variances between actuals and**

1 **estimated/actuals?**

2 A. Yes. Appendix II, page 6, entitled "Calculation of Final True-up Variances,"
3 shows the actual capacity charges and applicable revenues compared to the
4 estimated/actuals for the period January 2008 through December 2008.

5 **Q. What was the variance in net capacity charges?**

6 A. Appendix II, page 6, Line 13 provides the variance in Jurisdictional Capacity
7 Charges, which is a decrease of \$2,257,177 or 0.4%. This \$2,257,177
8 variance was primarily due to a \$6,389,418 (21.5%) decrease in Incremental
9 Power Plant Security Costs, partially offset by a \$2,398,601 (0.7%) increase in
10 Payments to Cogenerators, a \$703,762 (21.2%) decrease in Transmission
11 Revenues from Capacity Sales and a \$511,794 (7.7%) increase in
12 Transmission of Electricity by Others.

13

14 The \$6,389,418 (21.5%) decrease in Incremental Power Plant Security Costs
15 is primarily due to: (1) Hiring requirements related to NRC Part 26 that were
16 originally budgeted to begin in January 2008 were ultimately not required until
17 the end of 2008; (2) project activities related to anticipated Part 73 rule
18 requirements were deferred to 2009 due to the fact that no NRC orders were
19 issued in 2008; and (3) lower than budgeted Wackenhut officer costs.

20

21 The \$2,398,601 (0.7%) increase in Payments to Cogenerators is due to higher
22 than estimated capacity payments to ICL, BN and BS of \$3.3 million, \$0.3

1 million and \$0.1 million, respectively, from August to December 2008,
2 partially offset by lower than estimated capacity payments to Cedar Bay of
3 \$1.3 million for the same period.

4
5 The \$703,762 (21.2%) decrease in Transmission Revenues from Capacity
6 Sales is due to lower than projected economy power sales. From August
7 through December, FPL sold 231,122 MWh less of economy power than
8 projected. This resulted in lower than projected Transmission Revenues from
9 Capacity Sales.

10
11 The \$511,794 (7.7%) increase in Transmission of Electricity by Others is due
12 to the fact that the transmission provider that FPL utilizes for its Indian River
13 PPA raised its firm transmission rate beginning in February 2008.

14 **Q. What was the variance in Capacity Cost Recovery revenues?**

15 A. As shown on page 6, line 16, actual Capacity Cost Recovery Revenues (Net of
16 Revenue Taxes), were \$17,101,376 (3.3%) lower than the estimated/actual
17 projection. This \$17,101,376 decrease in revenues, less the \$2,257,177
18 decrease in costs, plus interest of \$75,891 (page 6, line 18), results in the final
19 under-recovery of \$14,920,089.

20 **Q. Have you provided Schedule A12 showing the actual monthly capacity**
21 **payments by contract?**

22 A. Yes. Schedule A12 consists of two pages that are included in Appendix II as

1 pages 7 and 8. Page 7, shows the actual capacity payments for Qualifying
2 Facilities, the Southern Company UPS contract and the St John River Power
3 Park (SJRPP) contract. Page 8 provides the Short Term Capacity payments
4 for the period January 2008 through December 2008.

5 **Q. Does this conclude your testimony?**

6 **A. Yes, it does.**

APPENDIX I

APPENDIX I
FUEL COST RECOVERY
TRUE UP CALCULATION

TJK-1
DOCKET NO. 090001-EI
FPL WITNESS: T. J. KEITH
PAGES 1-7
EXHIBIT _____
MARCH 9, 2009

APPENDIX I
FUEL COST RECOVERY
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3	SUMMARY OF NET TRUE-UP AMOUNT
4-5	CALCULATION OF FINAL TRUE-UP AMOUNT
6	REVENUE/ COST VARIANCE ANALYSIS- 2008 FINAL TRUE- UP
7	CALCULATION OF FINAL TRUE-UP VARIANCES

**FLORIDA POWER & LIGHT COMPANY
FUEL COST RECOVERY CLAUSE
SUMMARY OF NET TRUE-UP FOR THE
PERIOD JANUARY THROUGH DECEMBER 2008**

1. End of Period True-up for the period January through December 2008	\$ (255,605,390)
2. Less - Estimated/Actual True-up for the same period *	\$ (176,284,378)
3. Net True-up for the period January through December 2008	<u>\$ (79,321,012)</u>

() Reflects Underrecovery

* Approved in FPSC Order No. PSC-08-0824-PCO-EI dated December 22, 2008.

CALCULATION OF ACTUAL TRUE-UP AMOUNT
FLORIDA POWER & LIGHT COMPANY
FOR THE PERIOD JANUARY THROUGH DECEMBER 2008

LINE NO.	(1) JAN	(2) FEB	(3) MAR	(4) APR	(5) MAY	(6) JUN
A Fuel Costs & Net Power Transactions						
1 a Fuel Cost of System Net Generation	\$ 341,952,079	\$ 352,372,342	\$ 389,730,951	\$ 472,675,312	\$ 567,605,752	\$ 639,870,942
b Incremental Hedging Costs	\$ 41,706	\$ 57,176	\$ 92,341	\$ 66,325	\$ 50,126	\$ 62,729
c Nuclear Fuel Disposal Costs	\$ 1,972,368	\$ 1,762,352	\$ 1,917,393	\$ 1,592,404	\$ 1,765,799	\$ 1,976,643
d Scherer Coal Cart Depreciation & Return	\$ 248,994	\$ 247,157	\$ 244,955	\$ 241,532	\$ 238,481	\$ 236,655
e DOE D&D Fund Payment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2 a Fuel Cost of Power Sold (Per A6)	\$ (12,447,913)	\$ (9,720,557)	\$ (6,131,296)	\$ (2,735,840)	\$ (2,711,178)	\$ (5,488,875)
b Gains from Off-System Sales	\$ (4,388,836)	\$ (3,042,935)	\$ (1,335,798)	\$ (608,278)	\$ (526,160)	\$ (1,123,635)
3 a Fuel Cost of Purchased Power (Per A7)	\$ 21,519,165	\$ 25,415,391	\$ 22,085,106	\$ 24,856,993	\$ 26,669,255	\$ 29,579,617
b Energy Payments to Qualifying Facilities (Per A8)	\$ 15,668,471	\$ 17,928,683	\$ 15,647,959	\$ 10,333,922	\$ 18,329,455	\$ 18,759,926
4 Energy Cost of Economy Purchases (Per A9)	\$ 1,176,041	\$ 3,065,396	\$ 8,805,031	\$ 6,391,196	\$ 3,243,567	\$ 1,767,393
5 Total Fuel Costs & Net Power Transactions	\$ 365,742,075	\$ 388,085,004	\$ 431,046,642	\$ 512,813,567	\$ 614,665,096	\$ 685,641,395
6 Adjustments to Fuel Cost						
a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (4,296,574)	\$ (4,215,226)	\$ (4,909,356)	\$ (5,742,315)	\$ (6,208,761)	\$ (7,283,538)
b Energy Imbalance Fuel Revenues	\$ (115,723)	\$ (147,215)	\$ (221,811)	\$ (49,212)	\$ (496,599)	\$ (608,390)
c Inventory Adjustments	\$ (62,735)	\$ 7,755	\$ 23,605	\$ 13,106	\$ 39,710	\$ (51,149)
d Non Recoverable Oil/Tank Bottoms - Docket No. 13092	\$ 0	\$ 0	\$ 95,927	\$ 0	\$ 116,256	\$ 0
7 Adjusted Total Fuel Costs & Net Power Transactions	\$ 361,267,042	\$ 383,730,319	\$ 426,035,006	\$ 507,035,146	\$ 608,115,702	\$ 677,698,319
B kWh Sales						
1 Jurisdictional kWh Sales	\$ 8,399,773,134	\$ 7,454,101,518	\$ 7,370,925,305	\$ 7,628,218,997	\$ 8,337,469,479	\$ 9,759,914,795
2 Sale for Resale (excluding FKEC & CKW)	\$ 655,962	\$ 619,117	\$ 295,189	\$ 659,911	\$ 642,321	\$ 601,435
3 Sub-Total Sales (excluding FKEC & CKW)	\$ 8,400,429,096	\$ 7,454,720,635	\$ 7,371,220,494	\$ 7,628,878,908	\$ 8,338,111,800	\$ 9,760,516,230
6 Jurisdictional % of Total Sales (B1/B3)	99.99219%	99.99169%	99.99600%	99.99135%	99.99230%	99.99384%
C True-up Calculation						
1 Juris Fuel Revenues (Net of Revenue Taxes)	\$ 464,815,080	\$ 409,441,562	\$ 404,802,527	\$ 419,941,332	\$ 461,720,670	\$ 544,700,995
2 Fuel Adjustment Revenues Not Applicable to Period						
a Prior Period True-up (Collected/Refunded) This Period	\$ (6,610,188)	\$ (6,610,188)	\$ (6,610,188)	\$ (6,610,188)	\$ (6,610,188)	\$ (6,610,188)
b GPIF, Net of Revenue Taxes (a)	\$ (749,568)	\$ (749,568)	\$ (749,568)	\$ (749,568)	\$ (749,568)	\$ (749,568)
c Prior Period True-up (Collected/Refunded) This Period	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
3 Jurisdictional Fuel Revenues Applicable to Period	\$ 457,455,324	\$ 402,081,805	\$ 397,442,771	\$ 412,581,575	\$ 454,360,913	\$ 537,341,239
4 a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 361,267,042	\$ 383,730,319	\$ 426,035,006	\$ 507,035,146	\$ 608,115,702	\$ 677,698,319
b Nuclear Fuel Expense - 100% Retail	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
c RTP Incremental Fuel -100% Retail	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
d D&D Fund Payments -100% Retail	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
e Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	\$ 361,267,042	\$ 383,730,319	\$ 426,035,006	\$ 507,035,146	\$ 608,115,702	\$ 677,698,319
5 Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99219 %	99.99169 %	99.99600 %	99.99135 %	99.99230 %	99.99384 %
6 Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C3 x 1.00065(b)) +(Lines C4b,c,d)	\$ 361,473,633	\$ 383,947,835	\$ 426,294,876	\$ 507,320,832	\$ 608,464,122	\$ 678,097,050
7 True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ 95,981,691	\$ 18,133,970	\$ (28,852,105)	\$ (94,739,257)	\$ (154,103,209)	\$ (140,755,811)
8 Interest Provision for the Month	\$ (500,596)	\$ (220,819)	\$ (202,258)	\$ (319,663)	\$ (567,358)	\$ (812,852)
9 a True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	\$ (79,322,258)	\$ 22,769,025	\$ 47,292,364	\$ 24,848,189	\$ (63,600,543)	\$ (211,660,921)
b Deferred True-up Beginning of Period - Over/(Under) Recovery	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)
10 a Prior Period True-up Collected/(Refunded) This Period	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188
b Prior Period True-up Collected/(Refunded) This Period	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
11 End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	\$ (98,267,081)	\$ (73,743,742)	\$ (96,187,917)	\$ (184,636,649)	\$ (332,697,027)	\$ (467,655,502)

NOTES (a) Generation Performance Incentive Factor Is $(\$9,001,300) \times 99.9280\%$ - See Order No. PSC-08-0030-FOF-EL.
(b) Per Projected Schedule E-2

**CALCULATION OF ACTUAL TRUE-UP AMOUNT
FLORIDA POWER & LIGHT COMPANY
FOR THE PERIOD JANUARY THROUGH DECEMBER 2008**

LINE NO.	(7) JUL	(8) AUG	(9) SEP	(10) OCT	(11) NOV	(12) DEC	(13) TOTAL PERIOD
A Fuel Costs & Net Power Transactions							
1	\$ 634,544,249	\$ 591,017,822	\$ 587,451,087	\$ 437,661,917	\$ 323,519,671	\$ 292,147,609	\$ 5,630,539,732
a	\$ 634,544,249	\$ 591,017,822	\$ 587,451,087	\$ 437,661,917	\$ 323,519,671	\$ 292,147,609	\$ 5,630,539,732
b	\$ 52,025	\$ 50,028	\$ 14,718	\$ 47,472	\$ 59,036	\$ 44,772	\$ 638,455
c	\$ 2,020,270	\$ 1,811,040	\$ 2,069,906	\$ 1,771,267	\$ 1,649,038	\$ 2,047,170	\$ 22,355,652
d	\$ 234,830	\$ 233,004	\$ 231,028	\$ 229,053	\$ 227,230	\$ 225,408	\$ 2,838,327
e	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2	\$ (2,420,429)	\$ (2,106,805)	\$ (846,305)	\$ (1,233,990)	\$ (5,736,276)	\$ (7,053,336)	\$ (58,632,800)
a	\$ (2,420,429)	\$ (2,106,805)	\$ (846,305)	\$ (1,233,990)	\$ (5,736,276)	\$ (7,053,336)	\$ (58,632,800)
b	\$ (417,096)	\$ (458,396)	\$ (109,928)	\$ (306,065)	\$ (2,083,216)	\$ (2,601,140)	\$ (17,001,482)
3	\$ 31,104,111	\$ 31,740,014	\$ 34,971,313	\$ 25,988,630	\$ 22,396,640	\$ 22,426,405	\$ 318,752,640
a	\$ 31,104,111	\$ 31,740,014	\$ 34,971,313	\$ 25,988,630	\$ 22,396,640	\$ 22,426,405	\$ 318,752,640
b	\$ 20,536,252	\$ 14,677,935	\$ 18,336,627	\$ 19,077,748	\$ 13,802,795	\$ 16,580,463	\$ 199,680,235
4	\$ 4,977,249	\$ 14,297,009	\$ 5,929,892	\$ 3,275,096	\$ 1,347,530	\$ 507,407	\$ 54,782,807
a	\$ 4,977,249	\$ 14,297,009	\$ 5,929,892	\$ 3,275,096	\$ 1,347,530	\$ 507,407	\$ 54,782,807
5	\$ 690,631,461	\$ 651,261,653	\$ 648,048,338	\$ 486,511,129	\$ 355,182,449	\$ 324,324,757	\$ 6,153,953,566
6	Adjustments to Fuel Cost						
a	\$ (7,470,453)	\$ (8,135,438)	\$ (6,920,512)	\$ (6,205,246)	\$ (5,093,001)	\$ (3,649,897)	\$ (70,130,317)
b	\$ (412,777)	\$ (304,658)	\$ (256,253)	\$ (322,484)	\$ (60,350)	\$ (44,527)	\$ (3,039,999)
c	\$ 45,546	\$ (26,085)	\$ (410)	\$ (37,027)	\$ (111,516)	\$ (2,717)	\$ (161,918)
d	\$ 73,212	\$ 0	\$ 0	\$ 0	\$ (70,648)	\$ 242,422	\$ 457,169
7	\$ 682,866,989	\$ 642,795,472	\$ 640,871,163	\$ 479,946,372	\$ 349,846,934	\$ 320,870,038	\$ 6,081,078,502
B kWh Sales							
1	\$ 9,757,483,937	\$ 9,672,918,747	\$ 10,238,892,821	\$ 9,066,192,587	\$ 7,573,675,476	\$ 7,659,240,667	\$ 102,918,807,463
2	\$ 615,667	\$ 643,124	\$ 597,289	\$ 589,969	\$ 506,467	\$ 531,902	\$ 6,958,353
3	\$ 9,758,099,604	\$ 9,673,561,871	\$ 10,239,490,110	\$ 9,066,782,556	\$ 7,574,181,943	\$ 7,659,772,569	\$ 102,925,765,816
6	99.99369%	99.99335%	99.99417%	99.99349%	99.99331%	99.99306%	99.99324%
C True-up Calculation							
1	\$ 544,705,015	\$ 609,041,613	\$ 654,081,593	\$ 576,510,429	\$ 476,673,522	\$ 481,992,385	\$ 6,048,426,723
2	Fuel Adjustment Revenues Not Applicable to Period						
a	\$ (6,610,188)	\$ (6,610,188)	\$ (6,610,188)	\$ (6,610,188)	\$ (6,610,188)	\$ (6,610,188)	\$ (79,322,258)
b	\$ (749,568)	\$ (749,568)	\$ (749,568)	\$ (749,568)	\$ (749,568)	\$ (749,568)	\$ (8,994,819)
c	\$ (24,207,221)	\$ (24,207,221)	\$ (24,207,221)	\$ (24,207,221)	\$ (24,207,221)	\$ (24,207,221)	\$ (121,036,106)
3	\$ 537,345,259	\$ 577,474,635	\$ 622,514,616	\$ 544,943,451	\$ 445,106,545	\$ 450,425,407	\$ 5,839,073,540
4	\$ 682,866,989	\$ 642,795,472	\$ 640,871,163	\$ 479,946,372	\$ 349,846,934	\$ 320,870,038	\$ 6,081,078,502
a	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
b	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
c	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
d	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
e	\$ 682,866,989	\$ 642,795,472	\$ 640,871,163	\$ 479,946,372	\$ 349,846,934	\$ 320,870,038	\$ 6,081,078,502
5	99.99369 %	99.99335 %	99.99417 %	99.99349 %	99.99331 %	99.99306 %	99.99324 %
6	\$ 683,267,735	\$ 643,170,515	\$ 641,250,342	\$ 480,227,072	\$ 350,050,915	\$ 321,056,320	\$ 6,084,621,247
7	\$ (145,922,477)	\$ (65,695,880)	\$ (18,735,726)	\$ 64,716,379	\$ 95,055,630	\$ 129,369,087	\$ (245,547,707)
8	\$ (1,094,772)	\$ (1,274,460)	\$ (1,967,684)	\$ (1,930,038)	\$ (883,488)	\$ (283,694)	\$ (10,057,683)
9	\$ (346,619,396)	\$ (487,026,457)	\$ (523,179,387)	\$ (513,065,388)	\$ (419,461,637)	\$ (294,472,086)	\$ (79,322,258)
a	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)	\$ (121,036,106)
b	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 79,322,258
10	\$ 24,207,221	\$ 24,207,221	\$ 24,207,221	\$ 24,207,221	\$ 24,207,221	\$ 24,207,221	\$ 121,036,106
a	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 6,610,188	\$ 79,322,258
b	\$ 24,207,221	\$ 24,207,221	\$ 24,207,221	\$ 24,207,221	\$ 24,207,221	\$ 24,207,221	\$ 121,036,106
11	\$ (608,062,563)	\$ (644,215,493)	\$ (634,101,494)	\$ (540,497,743)	\$ (415,508,192)	\$ (255,605,390)	\$ (255,605,390)

NOTES (a) Generation Performance Incentive Factor is (\$9,001,300 x 99.9280%) - See Order No. PSC-08-0030-FOF-EI.
(b) Per Projected Schedule E-2

REVENUE/ COST VARIANCE ANALYSIS - 2008 FINAL TRUE UP

1	JURISDICTIONAL FUEL REVENUES	ESTIMATED/ACTUAL	ACTUAL	\$ DIFF
2				
3	REVENUES	\$6,163,762,784	\$6,048,426,723	(\$115,336,061)
4				
5	MWH	104,624,832	102,918,807	(1,706,025)
6				
7	\$ per MWH	58.91300	58.76892	(0.14408)
8				
9	VARIANCE DUE TO CONSUMPTION			\$ (100,507,052)
10	VARIANCE DUE TO COST			\$ (14,829,009)
11				
12				\$ (115,336,061)

13	JURISDICTIONAL TOTAL FUEL COSTS	ESTIMATED/ACTUAL	ACTUAL	\$ DIFF
14				
15	COSTS	\$6,120,012,059	\$6,084,621,246	(\$35,390,813)
16				
17	MWH	104,624,832	102,918,807	(1,706,025)
18				
19	\$ per MWH	58.49483	59.12060	0.62576
20				
21	VARIANCE DUE TO CONSUMPTION			\$ (99,793,647)
22	VARIANCE DUE TO COST			\$ 64,402,834
23				
24				\$ (35,390,813)

25	TOTAL VARIANCE	\$ DIFF
26		
27	VARIANCE DUE TO CONSUMPTION	\$ (713,405)
28	VARIANCE DUE TO COST	\$ (79,231,843)
29		\$ (79,945,248)
30		
31	INTEREST	\$ 624,236
32		
33		\$ (79,321,012)

POWER & LIGHT COMPANY
FUEL COST RECOVERY CLAUSE
CALCULATION OF VARIANCE- ACTUAL vs. ESTIMATED/ACTUAL
FOR THE PERIOD JANUARY THROUGH DECEMBER 2008

LINE NO.		YEAR TO DATE			
		ACTUAL	ESTIMATED / ACTUAL (a)	DIFFERENCE	
				AMOUNT	%
A	Fuel Costs & Net Power Transactions				
1	a Fuel Cost of System Net Generation	5,630,539,732	5,662,145,747	\$ (31,606,015)	(0.6) %
	b Incremental Hedging Costs	638,454	634,656	3,798	0.6 %
	c Nuclear Fuel Disposal Costs	22,355,652	22,115,102	240,550	1.1 %
	d Scherer Coal Cars Depreciation & Return	2,838,327	2,838,328	(1)	0.0 %
	e Gas Pipelines Depreciation & Return	0	0	0	N/A
	f DOE D&D Fund Payment	-	-	0	N/A
2	a Fuel Cost of Power Sold (Per A6)	(58,632,800)	(59,724,215)	1,091,415	(1.8) %
	b Gains from Off-System Sales	(17,001,482)	(16,407,210)	(594,272)	3.6 %
3	a Fuel Cost of Purchased Power (Per A7)	318,752,640	321,992,777	(3,240,137)	(1.0) %
	b Energy Payments to Qualifying Facilities (Per A8)	199,680,235	193,370,977	6,309,258	3.3 %
4	d Energy Cost of Economy Purchases (Per A9)	54,782,807	63,929,438	(9,146,631)	(14.3) %
5	Total Fuel Costs & Net Power Transactions	<u>\$ 6,153,953,565</u>	<u>\$ 6,190,895,600</u>	<u>\$ (36,942,035)</u>	<u>(0.6) %</u>
6	Adjustments to Fuel Cost				
	a Sales to Fl. Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (70,130,317)	\$ (71,758,387)	\$ 1,628,070	(2.3) %
	b Reactive and Voltage Control Fuel Revenue	\$ (3,039,999)	\$ (2,935,122)	\$ (104,877)	3.6 %
	c Inventory Adjustments	\$ (161,918)	\$ (47,685)	\$ (114,233)	239.6 %
	d Non Recoverable Oil/Tank Bottoms	\$ 457,169	\$ 285,395	\$ 171,774	60.2 %
7	Adjusted Total Fuel Costs & Net Power Transactions	<u>\$ 6,081,078,500</u>	<u>\$ 6,116,439,801</u>	<u>\$ (35,361,301)</u>	<u>(0.6) %</u>
B	kWh Sales				
1	Jurisdictional kWh Sales	102,918,807,463	104,624,832,320	(1,706,024,857)	(1.6) %
	Sale for Resale (excluding FKEC & CKW)	6,958,353	6,863,984	94,369	1.4 %
3	Sub-Total Sales (excluding FKEC & CKW)	<u>102,925,765,816</u>	<u>104,631,696,304</u>	<u>(1,705,930,488)</u>	<u>(1.6) %</u>
4	Sales to Fl. Keys Elect Coop (FKEC) & City of Key West (CKW)	969,092,974	1,011,973,000	(42,880,026)	(4.2) %
5	Total Sales	<u>103,894,858,790</u>	<u>105,643,669,304</u>	<u>(1,748,810,514)</u>	<u>(1.7) %</u>
6	Jurisdictional % of Total kWh Sales (lines B1/B3)	N/A	N/A	N/A	N/A
C	True-up Calculation				
1	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	\$ 6,048,426,723	\$ 6,163,762,784	\$ (115,336,061)	(1.9) %
	Fuel Adjustment Revenues Not Applicable to Period				
2	a Prior Period True-up (Collected)/Refunded This Period	\$ (79,322,258)	\$ (79,322,258)	0	0.0 %
	b GPIF, Net of Revenue Taxes (b)	\$ (8,994,819)	\$ (8,994,819)	0	0.0 %
	c Prior Period True-up (Collected)/Refunded This Period	\$ (121,036,106)	\$ (121,036,106)	0	0.0 %
3	Jurisdictional Fuel Revenues Applicable to Period	<u>\$ 5,839,073,540</u>	<u>\$ 5,954,409,601</u>	<u>\$ (115,336,061)</u>	<u>(1.9) %</u>
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 6,081,078,500	\$ 6,116,439,801	\$ (35,361,301)	(0.6) %
	b Nuclear Fuel Expense - 100% Retail	0	0	0	N/A
	c D&D Fund Payments -100% Retail	0	0	0	N/A
	d Adj. Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	6,081,078,500	6,116,439,801	(35,361,301)	(0.6) %
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	N/A	N/A	N/A	N/A
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00065(c)) +(Lines C4b,c,d)	<u>\$ 6,084,621,246</u>	<u>\$ 6,120,012,059</u>	<u>\$ (35,390,813)</u>	<u>(0.6) %</u>
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ (245,547,706)	\$ (165,602,458)	\$ (79,945,248)	48.3 %
8	Interest Provision for the Month	(10,057,683)	(10,681,919)	624,236	(5.8) %
9	True-up & Interest Provision Beg of Period-Over/(Under) Recovery	(79,322,258)	(79,322,258)	0	0.0 %
	a Deferred True-up Beginning of Period - Over/(Under) Recovery	(121,036,106)	(121,036,106)	0	0.0 %
10	a Prior Period True-up Collected/(Refunded) This Period	79,322,258	79,322,258	0	0.0 %
	b Prior Period True-up Collected/(Refunded) This Period	121,036,105	121,036,106	(1)	
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	<u>\$ (255,605,390)</u>	<u>\$ (176,284,377)</u>	<u>\$ (79,321,012)</u>	<u>45.0 %</u>

NOTES (a) Per Mid-Course Correction filing made November 17, 2008.
(b) Generation Performance Incentive Factor is ((\$9,001,300) x 99.9280%) - See Order No. PSC-08-0030-FOF-EI.

APPENDIX II

APPENDIX II
CAPACITY COST RECOVERY
TRUE UP CALCULATION

TJK-2
DOCKET NO. 090001-EI
FPL WITNESS: T. J. KEITH
PAGES 1-8
EXHIBIT _____
MARCH 9, 2009

APPENDIX II
CAPACITY COST RECOVERY
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3	SUMMARY OF NET TRUE-UP AMOUNT
4-5	CALCULATION OF FINAL TRUE-UP AMOUNT
6	CALCULATION OF FINAL TRUE-UP VARIANCES
7-8	SCHEDULE A12

**FLORIDA POWER & LIGHT COMPANY
CAPACITY COST RECOVERY CLAUSE
SUMMARY OF NET TRUE-UP FOR THE
PERIOD JANUARY THROUGH DECEMBER 2008**

1. End of Period True-up for the period January through December 2008	\$ (41,752,805)
2. Less - Estimated/Actual True-up for the same period *	(26,832,716)
3. Net True-up for the period January through December 2008	<u>\$ (14,920,089)</u>

() Reflects Underrecovery

* Approved in FPSC Order No. PSC-08-0824-FOF-EI dated December 22, 2008.

CAPACITY COST RECOVERY CLAUSE							
CALCULATION OF FINAL TRUE-UP AMOUNT FOR THE PERIOD JANUARY THROUGH DECEMBER 2008							
LINE NO.	(1) JAN 2008	(2) FEB 2008	(3) MAR 2008	(4) APR 2008	(5) MAY 2008	(6) JUN 2008	
1.	Payments to Non-cogenerators (UPS & SJRPP)	\$16,441,906	\$15,931,274	\$17,621,045	\$17,557,000	\$17,177,245	\$16,300,100
2.	Short-Term Capacity Purchases CCR	4,023,700	4,023,700	3,550,815	3,572,590	3,572,590	4,513,750
3.	QF Capacity Charges	27,397,913	26,863,012	27,042,396	26,627,952	27,067,859	27,436,774
4.	SJRPP Suspension Accrual	294,744	106,228	200,486	200,486	200,486	200,486
5.	Return on SJRPP Suspension Liability	(442,101)	(443,955)	(445,373)	(447,227)	(449,081)	(450,935)
6.	Incremental Plant Security Costs-Order No. PSC-02-1761	1,452,104	1,932,592	2,453,342	1,926,590	1,877,587	2,015,843
7.	Transmission of Electricity by Others	529,163	539,869	720,134	619,914	612,094	600,189
8.	Transmission Revenues from Capacity Sales	(583,059)	(477,977)	(275,441)	(135,249)	(171,448)	(296,620)
9.	Total (Lines 1 through 8)	\$ 49,114,371	\$ 48,474,744	\$ 50,867,403	\$ 49,922,055	\$ 49,887,332	\$ 50,319,580
10.	Jurisdictional Separation Factor (a)	98.76048%	98.76048%	98.76048%	98.76048%	98.76048%	98.76048%
11.	Jurisdictional Capacity Charges	48,505,588	47,873,889	50,236,891	49,303,262	49,268,969	49,695,859
12.	Nuclear Cost Recovery Costs	0	0	0	0	0	0
13.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)
14.	Jurisdictional Capacity Charges Authorized	\$ 43,760,122	\$ 43,128,423	\$ 45,491,425	\$ 44,557,796	\$ 44,523,503	\$ 44,950,393
15.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 41,500,197	\$ 37,558,428	\$ 37,683,136	\$ 38,849,864	\$ 42,223,337	\$ 48,534,965
16.	Prior Period True-up Provision	(1,632,608)	(1,632,608)	(1,632,608)	(1,632,608)	(1,632,608)	(1,632,608)
17.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 39,867,590	\$ 35,925,820	\$ 36,050,529	\$ 37,217,256	\$ 40,592,729	\$ 46,902,357
18.	True-up Provision for Month - Over/(Under) Recovery (Line 16 - Line 13)	(3,892,533)	(7,202,603)	(9,440,896)	(7,340,539)	(3,930,773)	1,951,964
19.	Interest Provision for Month	(82,039)	(73,077)	(83,863)	(95,795)	(101,289)	(92,692)
20.	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	(19,591,292)	(21,933,256)	(27,576,328)	(35,468,480)	(41,272,207)	(43,671,662)
21.	Deferred True-up - Over/(Under) Recovery	(3,707,455)	(3,707,455)	(3,707,455)	(3,707,455)	(3,707,455)	(3,707,455)
22.	Prior Period True-up Provision - Collected/(Refunded) this Month	1,632,608	1,632,608	1,632,608	1,632,608	1,632,608	1,632,608
23.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 18 through 22)	\$ (25,640,711)	\$ (31,283,783)	\$ (39,175,935)	\$ (44,979,662)	\$ (47,379,117)	\$ (43,887,237)
		(2,341,963.83)	(5,643,072.50)	(7,892,152.01)	(5,803,726.31)	(2,399,455.11)	3,491,880.19
Notes: (a) Per K. M. Dublin's Testimony Appendix III Page 3, filed September 1, 2006							
(b) Per FPSC Order No. PSC-94-1092-FOF-EI, Docket No. 940001-EI, as adjusted in August 1993, per E.L. Hoffman's Testimony Appendix IV, Docket No. 930001-EI, filed July 8, 1993.							

CAPACITY COST RECOVERY CLAUSE									
CALCULATION OF FINAL TRUE-UP AMOUNT FOR THE PERIOD JANUARY THROUGH DECEMBER 2008									
LINE NO.		(7) JUL 2008	(8) AUG 2008	(9) SEP 2008	(10) OCT 2008	(11) NOV 2008	(12) DEC 2008	(13) TOTAL	LINE NO.
1.	Payments to Non-cogenerators (UPS & SJRPP)	\$15,841,542	\$16,800,656	\$15,792,462	\$17,619,558	\$17,298,103	\$18,074,514	\$202,455,406	1.
2.	Short-Term Capacity Purchases CCR	4,464,250	4,522,000	4,530,250	3,435,600	3,435,600	3,872,450	47,517,295	2.
3.	QF Capacity Charges	27,462,232	27,651,148	26,950,042	27,288,399	27,620,025	27,731,127	327,138,878	3.
4.	SJRPP Suspension Accrual	200,486	200,486	200,486	200,486	200,486	200,486	2,405,832	4.
5.	Return on SJRPP Suspension Liability	(452,790)	(454,644)	(456,498)	(458,352)	(460,206)	(462,060)	(5,423,221)	5.
6.	Incremental Plant Security Costs-Order No. PSC-02-1761	1,637,559	2,155,940	1,936,064	1,606,089	1,717,967	2,667,350	23,379,026	6.
7.	Transmission of Electricity by Others	582,872	569,625	538,085	609,610	627,763	635,429	7,184,747	7.
8.	Transmission Revenues from Capacity Sales	(80,521)	(71,597)	(10,886)	(47,597)	(179,469)	(283,090)	(2,612,960)	8.
9.	Total (Lines 1 through 8)	\$ 49,655,630	\$ 51,373,614	\$ 49,480,005	\$ 50,253,794	\$ 50,260,269	\$ 52,436,206	\$ 602,045,003	9.
10.	Jurisdictional Separation Factor (a)	98.76048%	98.76048%	98.76048%	98.76048%	98.76048%	98.76048%	N/A	10.
11.	Jurisdictional Capacity Charges	49,040,139	50,736,828	48,866,691	49,630,888	49,637,282	51,786,249	594,582,534	11.
12.	Nuclear Cost Recovery Costs	0	0	0	0	0	0	0	12.
13.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(4,745,466)	(56,945,592)	13.
14.	Jurisdictional Capacity Charges Authorized	\$ 44,294,673	\$ 45,991,362	\$ 44,121,225	\$ 44,885,422	\$ 44,891,816	\$ 47,040,783	\$ 537,636,942	14.
15.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 48,367,588	\$ 48,525,980	\$ 50,780,192	\$ 45,512,409	\$ 38,687,679	\$ 38,244,838	\$ 516,470,613	15.
16.	Prior Period True-up Provision	(1,632,608)	(1,632,608)	(1,632,608)	(1,632,608)	(1,632,608)	(1,632,608)	(19,591,292)	16.
17.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 46,734,980	\$ 46,893,373	\$ 49,147,585	\$ 43,879,801	\$ 37,055,071	\$ 36,612,230	\$ 496,879,321	17.
18.	True-up Provision for Month - Over(Under) Recovery (Line 16 - Line 13)	2,440,307	902,011	5,026,360	(1,005,620)	(7,836,745)	(10,428,553)	(40,757,621)	18.
19.	Interest Provision for Month	(85,271)	(78,713)	(105,184)	(100,648)	(61,911)	(34,701)	(995,184)	19.
20.	True-up & Interest Provision Beginning of Month - Over(Under) Recovery	(40,179,782)	(36,192,138)	(33,736,233)	(27,182,449)	(26,656,110)	(32,922,159)	(19,591,292)	20.
21.	Deferred True-up - Over(Under) Recovery	(3,707,455)	(3,707,455)	(3,707,455)	(3,707,455)	(3,707,455)	(3,707,455)	(3,707,455)	21.
22.	Prior Period True-up Provision - Collected/(Refunded) this Month	1,632,608	1,632,608	1,632,608	1,632,608	1,632,608	1,632,608	19,591,292	22.
23.	End of Period True-up - Over(Under) Recovery (Sum of Lines 18 through 22)	\$ (39,899,593)	\$ (37,443,688)	\$ (30,889,904)	\$ (30,363,565)	\$ (36,629,614)	\$ (45,460,260)	\$ (45,460,260)	23.
		3,987,643.72	2,455,905.22	6,553,783.46	526,338.83	(6,266,048.77)	(8,830,646.23)		
	Notes:	(a) Per K. M. Dubin's Testimony Appendix III Page 3, filed September 1, 2006							
		(b) Per FPSC Order No. PSC-94-1092-FOF-EI, Docket No. 940001-EI, as adjusted in August 1993, per E.L. Hoffman's Testimony Appendix IV, Docket No. 930001-EI, filed July 8, 1993.							

FLORIDA POWER & LIGHT COMPANY CAPACITY COST RECOVERY CLAUSE CALCULATION OF FINAL TRUE-UP VARIANCES FOR THE PERIOD JANUARY THROUGH DECEMBER 2008					
Line No.		(1)	(2)	(3)	(4)
		ACTUAL	ESTIMATED / ACTUAL (a)	VARIANCE AMOUNT	%
1	Payments to Non-cogenerators (UPS & SJRPP)	\$ 202,455,406	\$ 201,886,913	\$ 568,493	0.3 %
2	Short Term Capacity Payments	\$ 47,517,295	47,596,033	(78,738)	(0.2) %
3	Payments to Cogenerators (QF's)	327,138,878	324,740,277	2,398,601	0.7 %
4	SJRPP Suspension Accrual	2,405,832	2,405,832	0	0.0 %
5	Return Requirements on SJRPP Suspension Liability	(5,423,221)	(5,423,221)	(0)	0.0 %
6	Incremental Plant Security Costs-Order No. PSC-02-1761	23,379,026	29,768,444	(6,389,418)	(21.5) %
7	Transmission of Electricity by Others	7,184,747	6,672,953	511,794	7.7 %
8	Transmission Revenues from Capacity Sales	(2,612,960)	(3,316,722)	703,762	(21.2) %
9	Total (Lines 1 through 8)	\$ 602,045,003	\$ 604,330,509	\$ (2,285,506)	(0.4) %
10	Jurisdictional Separation Factor	98.76048%	98.76048%	0	0.0 %
11	Jurisdictional Capacity Charges	\$ 594,582,534	\$ 596,839,711	\$ (2,257,177)	(0.4) %
12	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	\$ (56,945,592)	(56,945,592)	0	N/A
13	Jurisdictional Capacity Charges Authorized for Recovery through CCR Clause	\$ 537,636,942	\$ 539,894,120	\$ (2,257,177)	(0.4) %
14	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 516,470,613	\$ 533,571,989	\$ (17,101,376)	(3.2) %
15	Prior Period True-up Provision	(19,591,292)	(19,591,292)	0	N/A
16	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 496,879,321	\$ 513,980,697	\$ (17,101,376)	(3.3) %
17	True-up Provision for Period - Over/(Under) Recovery (Line 16 - Line 13)	\$ (40,757,621)	\$ (25,913,423)	\$ (14,844,199)	N/A
18	Interest Provision for Period	(995,184)	(919,293)	(75,891)	8.3 %
19	True-up & Interest Provision Beginning of Period - Over/(Under) Recovery	(19,591,292)	(19,591,292)	0	N/A
20	Deferred True-up - Over/(Under) Recovery	(3,707,455)	(3,707,455)	0	N/A
21	Prior Period True-up Provision Collected/(Refunded) this Period	19,591,292	19,591,292	0	N/A
22	End of Period True-up - Over/(Under) Recovery (Sum of Lines 17 through 21)	\$ (45,460,260)	\$ (30,540,170)	\$ (14,920,090)	48.9 %
Notes: (a) Per K. M. Dubin's Testimony Appendix II, Pages 3a&b, Docket No. 080001-EI, filed September 2, 2008.					
(b) Per FPSC Order No. PSC-94-1092-FOF-EI, Docket No. 940001-EI, as adjusted in August 1993, per E.L. Hoffman's Testimony Appendix IV, Docket No. 830001-EI, filed July 8, 1993.					

Columns and rows may not add due to rounding.

Florida Power & Light Company
Schedule A12 - Capacity Costs
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Contract	Capacity MW	Term Start	Term End	Contract Type
Cedar Bay	250	1/25/1994	12/31/2024	QF
Indiantown	330	12/22/1995	12/1/2025	QF
Palm Beach Solid Waste Authority	47.5	4/1/1992	3/31/2010	QF
Broward North - 1987 Agreement	45	4/1/1992	12/31/2010	QF
Broward North - 1991 Agreement	11	1/1/1993	12/31/2026	QF
Broward South - 1987 Agreement	50.6	4/1/1991	8/1/2009	QF
Broward South - 1991 Agreement	3.5	1/1/1993	12/31/2026	QF
Southern Co. - UPS	931	7/20/1988	5/31/2010	UPS
JEA - SJRPP	375	4/2/1982	9/30/2021	JEA

QF = Qualifying Facility
UPS= Unit Power Sales Agreement with Southern Company
JEA = SJRPP Purchased Power Agreements

2008 Capacity in Dollars

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-date
Cedar Bay	9,915,012	9,712,500	9,866,738	9,605,193	9,537,431	9,830,377	9,874,230	10,018,472	9,317,366	9,655,723	9,892,839	10,003,940	117,229,822
ICL	10,959,073	10,948,831	10,971,170	10,824,522	10,971,170	11,008,973	10,990,072	11,034,746	11,034,746	11,034,746	11,129,257	11,129,257	132,036,565
SWAPBC	2,097,719	1,991,675	1,991,675	1,991,675	2,099,025	2,099,025	2,099,025	2,099,025	2,099,025	2,099,025	2,099,025	2,099,025	24,864,944
BN-SOC	1,938,150	1,840,050	1,840,050	1,840,050	1,939,500	1,939,500	1,939,500	1,939,500	1,939,500	1,939,500	1,939,500	1,939,500	22,974,300
BN-NEG	229,353	221,977	215,596	208,413	249,976	287,210	287,210	287,210	287,210	287,210	287,210	287,210	3,135,786
BS-SOC	2,179,380	2,069,085	2,069,085	2,069,085	2,180,809	2,180,809	2,180,809	2,180,809	2,180,809	2,180,809	2,180,809	2,180,809	25,833,109
BS-NEG	79,226	78,894	88,082	89,014	89,947	90,880	91,385	91,385	91,385	91,385	91,385	91,385	1,064,353
SoCo	10,875,506	9,839,692	11,187,249	11,222,401	10,730,207	10,686,476	10,213,047	10,788,949	10,710,327	10,603,137	10,939,377	11,933,658	129,730,026
SJRPP	5,566,400	6,091,582	6,433,796	6,334,599	6,447,038	5,613,624	5,628,495	6,011,707	5,082,135	7,016,421	6,358,726	6,140,856	72,725,380
Total	43,839,819	42,794,286	44,663,441	44,184,952	44,245,104	43,736,874	43,303,774	44,451,804	42,742,504	44,907,957	44,918,128	45,805,641	529,594,284

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Contract	Counterparty	Identification	Contract Start Date	Contract End Date
1	Oleander Power Project L.P.	Other Entity	June 1, 2002	May 31, 2012
2	Reliant Energy Services - Indian River	Other Entity	January 1, 2006	December 31, 2009
3	JP Morgan Ventures Energy Corp. (contract formerly with Bear Energy, LLC)	Other Entity	March 3, 2006	December 31, 2009
4	Constellation Energy Commodities Group	Other Entity	May 1, 2006	April 30, 2009

2008 Capacity in MW

	A	B	C	D	E	F	G	H	I	J	K	L	M
Contract	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1	155	155	155	155	155	155	155	155	155	155	155	155	155
2	567	567	567	567	567	567	567	567	567	567	567	567	567
3	106	106	106	106	106	106	106	106	106	106	105	106	106
4	93	93	48	48	48	48	39	51	54	-	-	-	38
Total	921	921	876	876	876	876	867	879	862	828	827	-	866

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2008 Capacity in Dollars

	A	B	C	D	E	F	G	H	I	J	K	L	M
Contract	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1													
2													
3													
4													
Total	4,023,700.00	4,001,924.71	3,572,590.00	3,572,590.00	3,572,590.00	4,489,000.00	4,489,000.00	4,522,000.00	4,530,250.00	3,435,600.00	3,435,600.00	-	3,872,450.00

Year-to-date Short Term Capacity Payments	47,517,294.71
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