

State of Florida



Public Service Commission
CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 6, 2010
TO: Office of Commission Clerk (Cole)
FROM: Office of the General Counsel (Cowdery)
Division of Economic Regulation (Hinton, Lester, Franklin, Hewitt)
RE: Docket No. 100084-EI – Initiation of rulemaking to adopt Rule 25-6.0424, F.A.C.,
Petition for Mid-Course Correction.

AGENDA: 05/18/10 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Skop

RULE STATUS: Proposal May Be Deferred

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\GCL\WP\100084.RCM.DOC

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Case Background

The Commission conducts an annual fuel and purchased power cost recovery clause (fuel clause) hearing as part of its authority to set fair and reasonable electric utility rates pursuant to Section 366.05, Florida Statutes (F.S.). Through a procedure established by Commission orders

1 E.g., Docket No. 100001-EI, In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.

2 Order No. 13694, issued September 20, 1984, in Docket No. 840001-EI and Docket No. 840003-GU, In re: Fuel and purchased power cost recovery clause with generating performance incentive factor; In re: Purchased gas cost recovery clause; Order No. PSC-98-0691-FOF-PU, issued May 19, 1998, in Docket No. 980269-PU, In re: Consideration of change in frequency and timing of hearing for the fuel and purchased power cost recovery clause, capacity cost recovery clause, generating performance incentive factor, energy conservation cost recovery clause, purchased gas adjustment (PGA) true-up, and environmental cost recovery clause; and Order No. PSC-07-0333-

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FPSC-COMMISSION CLERK

and as part of the fuel clause proceeding, utilities or other parties may petition for a mid-course correction to fuel factors previously approved in the most recent fuel clause hearing. Mid-course corrections are preliminary procedural decisions which are used by the Commission between the annual fuel hearings whenever costs deviate from revenues by a significant margin. Any over-recoveries or under-recoveries caused by or resulting from the new factor adopted by the mid-course correction may be included in the following year's fuel factor as addressed in the annual fuel clause proceeding.

The Commission has not enacted rules concerning the petition for mid-course correction procedure because the fuel clause proceedings are exempted by subparagraph 120.80(13)(a), F.S., from the rulemaking provisions of Chapter 120, F.S.³ If not for this exemption, the Commission would have been required to initiate rulemaking concerning the fuel clause proceedings, to the extent that there exist agency requirements meeting the statutory definition of "rule."⁴

As part of its duty to maintain a continuous review of the administrative rulemaking process, the Joint Administrative Procedures Committee (JAPC) staff requested that the Commission adopt a rule to prescribe the application process for mid-course corrections. By letter dated July 24, 2009, to the Commission's General Counsel and Executive Director, JAPC staff stated that subsection 366.06(1), F.S., specifically mandates that all applications for changes in rates shall be made under rules and regulations prescribed by the Commission,⁵ and that this specific mandate controls over the subparagraph 120.80(13)(a) general exemption from rulemaking for fuel clause proceedings. JAPC staff indicated to Commission staff that codifying the current mid-course correction application procedure in a rule will resolve its concerns in this regard.

In response to JAPC staff's request, staff initiated rulemaking in this docket in order to codify the current Commission procedure for filing petitions for mid-course corrections. The Notice of Proposed Rule Development was published in the December 18, 2009 edition of the Florida Administrative Weekly. No requests for a rule development workshop were received, and thus a rule development workshop was not held. This item was deferred from two previous agenda conferences in order to address comments received concerning Form PSC/ECR 009-E. Staff invited comment on draft rule Form PSC/ECR 009-E, and received written comments from Florida Power & Light Company (FPL), Florida Public Utilities Company (FPUC), Progress Energy Florida, Inc. (PEF), and Tampa Electric Company (TECO). In addition, staff conducted

PAA-EI, issued April 16, 2007, in Docket No. 070001-EI, *In re: Fuel and purchased power cost recovery clause with generating performance incentive factor*.

³ Subparagraph 120.80(13)(a) states: "Agency statements that relate to cost-recovery clauses, factors, or mechanisms implemented pursuant to chapter 366, relating to public utilities, are exempt from the provisions of s. 120.54(1)(a)."

⁴ Subparagraph 120.54(1)(a) states that each agency statement defined as a rule by Section 120.52, F.S., is required to be adopted by the rulemaking procedure of Section 120.54 as soon as feasible and practicable. Subject to certain exceptions, a "rule" means each agency statement of general applicability that implements, interprets, or prescribes law or policy or describes the procedure or practice requirements of an agency and includes any form which imposes any requirement or solicits any information not specifically required by statute or by an existing rule.

⁵ Subsection 366.06(1) states: "All applications for changes in rates shall be made to the commission in writing under rules and regulations prescribed, and the commission shall have the authority to determine and fix fair, just, and reasonable rates that may be requested, demanded, charged, or collected by any public utility for its service."

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a noticed teleconference on April 27, 2010, to discuss these comments, at which FPL, FPUC, PEF, TECO, and Gulf Power Company (collectively referred to as the IOUs) participated.

This recommendation addresses whether the Commission should propose the adoption of Rule 25-6.0424, F.A.C. The Commission has jurisdiction pursuant to Sections 120.54, F.S., and 366.06(1), F.S.

Discussion of Issues

Issue 1: Should the Commission propose the adoption of Rule 25-6.0424, F.A.C., Petition for Mid-Course Correction?

Recommendation: Yes, the Commission should propose the adoption of this rule as set forth in Attachment A. (Cowdery, Hinton, Lester, Franklin, Hewitt)

Staff Analysis: Draft Rule 25-6.0424 is appended to the recommendation as Attachment A. The following is a summary of the rule.

Subsection (1) of Rule 25-6.0424 identifies the filing requirements for a petition for mid-course correction. Subparagraph (a) requires the filing of the estimated percentage of year-end over-recovery or under-recovery calculated using the estimated end-of-period total net true-up divided by the current period's total actual and estimated jurisdictional fuel revenue applicable to the period. Relevant terms are defined. The appropriate method for determining the over-recovery or under-recovery percentage for capacity costs is explained. The language of subparagraph (a) codifies the filing requirements set forth by Commission order in the fuel and purchased power cost recovery clause, Docket No. 070001-EI.⁶ This information is necessary to determine the appropriateness and the level of mid-course correction.

Subparagraph (b) of Rule 25-6.0424 identifies the schedules required to be filed as part of a petition for mid-course correction. A utility filing a petition for a fuel mid-course correction is required to file schedules E1 through E10 of Form PSC/ECR 009-E (xx/xx), entitled "Mid-Course Correction Schedules." These are the same schedules which utilities have historically filed for such a petition. A utility filing a petition for a capacity mid-course correction is required to file schedules E12-A through E12-E of Form PSC/ECR 009-E. These schedules codify the information that the IOUs have historically been required to file for such a petition. Subparagraph (b) also states that the form may be obtained from the Commission's Division of Economic Regulation. As stated in the Case Background section of this recommendation, staff received comments from the IOUs concerning Form PSC/ECR 009-E. Staff discussed these suggestions with the IOUs during the noticed conference call, and incorporated suggestions into the form, consistent with those discussions.

Subsection (2) codifies the current requirement from Docket No. 070001-EI, that in the event that the absolute value of the over-recovery or under-recovery is 10 percent or greater, the utility shall promptly notify the Commission. Subsection (2) also codifies the current requirement that the notification of a 10 percent or greater estimated over-recovery or under-recovery shall include a petition for mid-course correction or shall include an explanation of why a mid-course correction is not practical. This requirement is important to ensure that excessive over-recoveries or under-recoveries are addressed as soon as practicable. In addition, subsection (2) codifies Commission policy that a utility is not precluded from requesting a mid-course correction prior to reaching the 10 percent threshold requiring Commission notification.

⁶ See footnote 2.

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Subsection (3) of Rule 25-6.0424 states that 10 copies of the petition must be filed with the Commission Clerk and a copy sent to the Director of the Division of Economic Regulation at ECR@psc.state.fl.us. Subsection (3) also identifies the Director of the Division of Economic Regulation as the designee of the Commission for purposes of determining whether the utility has met the minimum filing requirements imposed by the rule.

Statement of Estimated Regulatory Cost (SERC)

The Statement of Estimated Regulatory Costs (Attachment B) notes that Rule 25-6.0424 should not result in incremental costs for the Commission and that there could be some minor benefit from codifying the mid-course correction requirements. The SERC states that customers and small businesses and local governments would not be affected. The SERC also states that the 5 investor-owned electric utilities which are regulated by the Commission should have no transactional costs as a result of the adoption of the rule and that there could be some minimal benefits because the requirements for a petition for a mid-course correction will be specifically set forth in one place with the implementation of a rule.

Based upon the above, staff recommends that the Commission propose the adoption of Rule 25-6.0424, F.A.C., as set forth in Attachment A.

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Issue 2: Should this docket be closed?

Recommendation: Yes. (Cowdery)

Staff Analysis: If no requests for hearing or comments are filed, the rule may be filed with the Department of State, and then this docket may be closed.

1 25-6.0424 Petition for Mid-Course Correction

2 (1) To request a mid-course correction to the fuel cost recovery or capacity cost
3 recovery factors, a utility shall file a petition for mid-course correction which shall contain the
4 following information:

5 (a) The estimated percentage of year-end over-recovery or under-recovery calculated
6 using the estimated End-of-Period Total Net True-up divided by the current period's total
7 actual and estimated Jurisdictional Fuel Revenue Applicable to Period. The estimated End-of-
8 Period Total Net True-up consists of the difference between estimated and actual prior-period
9 net true-ups, plus the estimated current-period monthly over/under-recoveries, plus the
10 estimated current-period interest. The total actual and estimated Jurisdictional Fuel Revenue
11 Applicable to Period consists of the best estimate of reprojected revenues for the period using
12 the current cost recovery factor. The appropriate method to determine the over-recovery or
13 under-recovery percentage for capacity costs is to make a similar percent calculation using up-
14 to-date capacity cost recovery revenue and true-up amounts.

15 (b) The appropriate schedules from Form PSC/ECR 009-E (xx/xx) reflecting the
16 estimated End-of-Period Total Net True-up based upon current cost recovery factors and
17 revised fuel expenses. For a fuel mid-course correction, schedules E1 through E10 shall be
18 filed. For a capacity mid-course correction, schedules E12-A through E12-E shall be filed.
19 Form PSC/ECR 009-E (xx/xx), incorporated by reference in this rule and entitled "Mid-
20 Course Correction Schedules," may be obtained from the Commission's Division of
21 Economic Regulation.

22 (2) In the event that the absolute value of the over-recovery or under-recovery either
23 for fuel cost recovery or capacity cost recovery is 10 percent or greater, the utility shall
24 promptly notify the Commission by letter delivered to the Director of the Division of
25 Economic Regulation. The notification of a 10 percent or greater estimated over-recovery or

1 under-recovery shall include a petition for mid-course correction to the fuel cost recovery or
2 capacity cost recovery factors, or shall include an explanation of why a mid-course correction
3 is not practical. This section in no way precludes a utility from requesting a mid-course
4 correction prior to reaching the 10 percent threshold requiring Commission notification.

5 (3) When filing a petition for mid-course correction to the fuel cost recovery or
6 capacity cost recovery factors, a utility shall file 10 copies of the petition with the Office of
7 Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and an
8 electronic copy with the Director of the Division of Economic Regulation at
9 ECR@psc.state.fl.us. The Director of the Division of Economic Regulation shall be the
10 designee of the Commission for purposes of determining whether the utility has met the
11 minimum filing requirements imposed by this rule.

12 Rulemaking Authority 350.127(2), 366.06(1)FS. Law Implemented 366.041, 366.05(1),
13 366.06(1), 366.076. History—New xx/xx.

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15 25-6.0424.doc

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Attachment A

**MID-COURSE
CORRECTION SCHEDULES**

PSC/ECR 009-E (XXXX)

PROJECTED FUEL AND PURCHASED POWER COST SCHEDULES

These schedules are required to be filed in compliance with the provisions of Rule 25-6.0424, Petition for Mid-Course Correction. A utility may modify the schedules to include additional information as necessary. If a schedule line is inapplicable to the utility, it should be designated "NA."

Schedule

E1	Fuel and Purchased Power Cost Recovery Clause Calculation
E1-A	Calculation of Total True-Up (Projected Period)
E1-B	Calculation of Estimated True-Up (6 Months Actual, 6 Months Estimated)
E1-B-1	Comparison of Estimated/Actual Versus Original Projections of the Fuel and Purchased Power Cost Recovery Factor
E1-C	Calculation of Generating Performance Incentive Factor and True-Up Factor
E1-D	Determination of Fuel Recovery Factor - Time of Use Rate Schedules
E1-E	Fuel Recovery Factors - By Rate Group (Adjusted for Line/Transformation Losses)
E2	Fuel and Purchased Power Cost Recovery Calculation
E3	Generation System Comparative Data by Fuel Type
E4	System Net Generation and Fuel Cost
E5	System Generated Fuel Cost Inventory Analysis
E6	Power Sold
E7	Purchased Power (Exclusive of Economy Energy Purchases)
E8	Energy Payment to Qualifying Facilities
E9	Economy Energy Purchases
E10	Residential Bill Comparison for Monthly Usage of 1000 kWh

FUEL AND PURCHASED POWER
 COST RECOVERY CLAUSE CALCULATION
 COMPANY _____
 ESTIMATED FOR THE PERIOD _____

SCHEDULE E1

	(a) DOLLARS	(b) MWH	(c) ¢/KWH
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20		*	
21		*	
22		*	
23			
24			
25			
25a			
26			
27			
28			
29			
30			
31			
32			
33			

* For Informational Purposes Only

** Calculation Based on Jurisdictional KWH Sales

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Attachment A

CALCULATION OF TOTAL TRUE-UP AND
PERCENT OF MID-COURSE CORRECTION THRESHOLD
(PROJECTED PERIOD)

COMPANY _____
FOR THE PERIOD _____

SCHEDULE E1-A

1	Estimated Over/(Under) Recovery (6 Months Actual, 6 Months Estimated Period) (Schedule E1-B)	\$ _____
2	Final True-Up (12 Month Actual Period)	_____
3	Total Over/(Under) Recovery (Lines 1 + 2) To be Included in 12 Month Projected Period (Schedule E1)	\$ _____
4	Fuel Revenues Applicable to Period	\$ _____
5	Percent of Midcourse Correction Threshold (Line 3 + Line 4) x 100	_____ %
6	Jurisdictional KWH Sales (Projected Period)	_____
7	True-Up Factor (Line 3 + Line 6) x 100 (¢/KWH)	\$ _____

CALCULATION OF ESTIMATED TRUE-UP
 (6 MONTHS ACTUAL, 6 MONTHS ESTIMATED)
 COMPANY _____
 FOR THE PERIOD _____

SCHEDULE E1-B
 Page 1 of 2

	JAN ACTUAL	FEB ACTUAL	MAR ACTUAL	APR ACTUAL	MAY ACTUAL	JUN ACTUAL	6 MONTH SUB- TOTAL
A 1 Fuel Cost of System Generation							
2 Fuel Cost of Power Sold							
3 Fuel Cost of Purchased Power							
3a Demand and Non-Fuel Cost of Purchased Power							
3b Energy Payments to Qualified Facilities							
4 Energy Cost of Economy Purchases							
5 Adjustments to Fuel Cost							
6 ADJUSTED TOTAL FUEL & NET POWER TRANS (Sum of Lines A1 Through A5)							
B 1 Jurisdictional KWH Sales							
2 Non-Jurisdictional KWH Sales							
3 TOTAL SALES (Lines B1 + B2)							
4 Jurisdictional % of Total Sales (Line B1 ÷ B3)							
C 1 Jurisdictional Fuel Recovery Revenue (Net of Revenue Taxes)							
1a Adjustments to Fuel Revenue							
2 True-Up Provision							
2a Incentive Provision							
3 FUEL REVENUE APPLICABLE TO PERIOD (Sum of Lines C1 Through C2a)							
4 Adjusted Total Fuel & Net Power Transactions (Line A6)							
5 Jurisdictional Total Fuel & Net Power Transactions (Line C4 x Line B4 x Line Loss Multiplier)							
6 Over/(Under) Recovery (Line 3 - Line 5)							
7 Interest Provision							
8 TOTAL ESTIMATED TRUE-UP FOR THE PERIOD							

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CALCULATION OF ESTIMATED TRUE-UP
 (6 MONTHS ACTUAL, 6 MONTHS ESTIMATED)
 COMPANY _____
 FOR THE PERIOD _____

SCHEDULE E-1B
 Page 2 of 2

	JUL ESTIMATED	AUG ESTIMATED	SEPT ESTIMATED	OCT ESTIMATED	NOV ESTIMATED	DEC ESTIMATED	12 MONTH PERIOD
A 1 Fuel Cost of System Generation	_____	_____	_____	_____	_____	_____	_____
2 Fuel Cost of Power Sold	_____	_____	_____	_____	_____	_____	_____
3 Fuel Cost of Purchased Power	_____	_____	_____	_____	_____	_____	_____
3a Demand and Non-Fuel Cost of Purchased Power	_____	_____	_____	_____	_____	_____	_____
3b Energy Payments to Qualified Facilities	_____	_____	_____	_____	_____	_____	_____
4 Energy Cost of Economy Purchases	_____	_____	_____	_____	_____	_____	_____
5 Adjustments to Fuel Cost	_____	_____	_____	_____	_____	_____	_____
6 ADJUSTED TOTAL FUEL & NET POWER TRANS (Sum of Lines A1 Through A5)	=====	=====	=====	=====	=====	=====	=====
B 1 Jurisdictional KWH Sales	_____	_____	_____	_____	_____	_____	_____
2 Non-Jurisdictional KWH Sales	_____	_____	_____	_____	_____	_____	_____
3 TOTAL SALES (Lines B1 + B2)	=====	=====	=====	=====	=====	=====	=====
4 Jurisdictional % of Total Sales (Line B1 + B3)	_____	_____	_____	_____	_____	_____	_____
C 1 Jurisdictional Fuel Recovery Revenue (Net of Revenue Taxes)	_____	_____	_____	_____	_____	_____	_____
1a Adjustments to Fuel Revenue	_____	_____	_____	_____	_____	_____	_____
2 True-Up Provision	_____	_____	_____	_____	_____	_____	_____
2a Incentive Provision	_____	_____	_____	_____	_____	_____	_____
3 FUEL REVENUE APPLICABLE TO PERIOD (Sum of Lines C1 Through C2a)	=====	=====	=====	=====	=====	=====	=====
4 Adjusted Total Fuel & Net Power Transactions (Line A6)	_____	_____	_____	_____	_____	_____	_____
5 Jurisdictional Total Fuel & Net Power Transactions (Line C4 x Line B4 x Line Loss Multiplier)	_____	_____	_____	_____	_____	_____	_____
6 Over/(Under) Recovery (Line 3 - Line 5)	_____	_____	_____	_____	_____	_____	_____
7 Interest Provision	_____	_____	_____	_____	_____	_____	_____
8 TOTAL ESTIMATED TRUE-UP FOR THE PERIOD	=====	=====	=====	=====	=====	=====	=====

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Attachment A

**COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS
OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR
COMPANY _____
FOR THE PERIOD _____**

SCHEDULE E1-B-1

	DOLLARS				MWH				\$/KWH			
	ESTIMATED/ ACTUAL	ESTIMATED ORIGINAL	DIFFERENCE		ESTIMATED/ ACTUAL	ESTIMATED ORIGINAL	DIFFERENCE		ESTIMATED/ ACTUAL	ESTIMATED ORIGINAL	DIFFERENCE	
			AMOUNT	%			AMOUNT	%			AMOUNT	%
1 Fuel Cost of System Net Generation (A3)												
2 Nuclear Fuel Disposal Costs												
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)												
5 TOTAL COST OF GENERATED POWER												
6 Fuel Cost of Purchased Power (Exclusive of Economy) (A7)												
7 Energy Cost of Sched C & X Econ Purch (FL) (A9)												
8 Energy Cost of Other Econ Purch (Non-FL) (A9)												
9 Energy Cost of Sched E Economy Purchases (A9)												
10 Energy Payments to Qualifying Facilities (A8)												
11 TOTAL COST OF PURCHASED POWER												
12 TOTAL AVAILABLE MWH (LINE 5 + LINE 11)												
13 Fuel Cost of Economy Sales (A6)												
14 Gain on Economy Sales (A6)												
15 Fuel Cost of Unit Power Sales (A6)												
16 Fuel Cost of Other Power Sales (A6)												
17 TOTAL FUEL COST AND GAINS OF POWER SALES (LINES 13 + 14 + 15 + 16)												
18 Net Inadvertent Interchange												
19 TOTAL FUEL & NET POWER TRANSACTIONS (LINES 5 + 11 + 17 + 18)												
20 Net Unbilled Sales												
21 Company Use												
22 T & D Losses												
23 SYSTEM KWH SALES												
24 Wholesale KWH Sales												
25 Jurisdictional KWH Sales												
25a Jurisdictional Loss Multiplier												
26 Jurisdictional KWH Sales Adjusted for Line Losses												
27 TRUE-UP **												
28 TOTAL JURISDICTIONAL FUEL COST												
29 Revenue Tax Factor												
30 Fuel Factor Adjusted for Taxes												
31 GPIF **												
32 Fuel Factor Adjusted for Taxes Including GPIF												
33 FUEL FACTOR ROUNDED TO NEAREST .001 \$/KWH												

* Included for Informational Purposes Only
** Calculation Based on Jurisdictional KWH Sales

NOTE: Amounts Included In Estimated/Actual Column represent six months actual and six months revised estimates. Amounts Included In the Estimated Original Column represent amounts projected in previous fuel adjustment period.

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Attachment A

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CALCULATION OF GENERATING PERFORMANCE
INCENTIVE FACTOR AND TRUE-UP FACTOR
COMPANY _____
FOR THE PERIOD _____

SCHEDULE E1-C

- 1 TOTAL AMOUNT OF ADJUSTMENTS
 - A. GENERATING PERFORMANCE INCENTIVE REWARD (PENALTY)
 - B. TRUE-UP (OVER) / UNDER RECOVERED
- 2 TOTAL JURISDICTIONAL SALES (MWH)
- 3 ADJUSTMENT FACTORS (ϕ /KWH)
 - A. GENERATING PERFORMANCE INCENTIVE FACTOR
 - B. TRUE-UP FACTOR

DETERMINATION OF FUEL RECOVERY FACTOR
 TIME OF USE RATE SCHEDULES
 COMPANY _____
 FOR THE PERIOD _____

SCHEDULE E1-D

	NET ENERGY FOR LOAD (%)	FUEL COST (%)
ON PEAK		
OFF PEAK		
	100.00	100.00
	ON PEAK	OFF PEAK
1 Total Fuel & Net Power Trans		
2 MWH Sales		
3 Cost Per KWH Sold		
4 Jurisdictional Loss Factor		
5 Jurisdictional Fuel Factor		
6 True-Up		
7 TOTAL		
8 Revenue Tax Factor		
9 Recovery Factor		
10 GPIF		
11 Recovery Factor Including GPIF		
12 Recovery Factor Rounded to the Nearest .001 ¢/KWH		
13 Hours: ON PEAK	%	
14 OFF PEAK	%	

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FUEL RECOVERY FACTORS - BY RATE GROUP
 (ADJUSTED FOR LINE/TRANSFORMATION LOSSES)
 COMPANY _____
 FOR THE PERIOD _____

SCHEDULE E1-E

(1) GROUP	(2) RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) FUEL RECOVERY FACTOR
A				
B				
C				
D				
A		ON-PEAK OFF-PEAK		
B		ON-PEAK OFF-PEAK		
C		ON-PEAK OFF-PEAK		
D		ON-PEAK OFF-PEAK		

FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION

COMPANY _____

FOR THE PERIOD _____

SCHEDULE E2

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	TOTAL PERIOD
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	
1 Fuel Cost of System Generation													1
1a Nuclear Fuel Disposal													1a
2 Fuel Cost of Power Sold													2
3 Fuel Cost of Purchased Power													3
3a Demand and Non-Fuel Cost of Purchased Power													3a
3b Qualifying Facilities													3b
4 Energy Cost of Economy Purchases													4
4a Adjustments to Fuel Costs													4a
5 ADJ TOTAL FUEL & NET PWR TRANS (Sum of Lines 1 Through 4a)													5
6 System KWH Sold (MWH)													6
6a Jurisdictional % of Total Sales													6a
7 Cost Per KWH Sold (\$/KWH)													7
7a Jurisdictional Loss Multiplier													7a
7b Jurisdictional Cost (\$/KWH)													7b
8 True-Up (\$/KWH)													8
9 TOTAL													9
10 Revenue Tax Factor													10
11 Recovery Factor Adjusted for Taxes													11
12 GPIF (\$/KWH)													12
13 Recovery Factor Rounded to Nearest .001(\$/KWH)													13

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Attachment A

GENERATING SYSTEM COMPARATIVE DATA BY FUEL TYPE
 COMPANY _____
 ESTIMATED FOR THE PERIOD _____

SCHEDULE E3
 Page 1 of 2

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
FUEL COST OF SYSTEM NET GENERATION (\$)													
1	HEAVY OIL												
2	LIGHT OIL												
3	COAL												
4	GAS												
5	NUCLEAR												
6	OTHER												
7	TOTAL (\$)												
SYSTEM NET GENERATION (MWH)													
8	HEAVY OIL												
9	LIGHT OIL												
10	COAL												
11	GAS												
12	NUCLEAR												
13	OTHER												
14	TOTAL (MWH)												
UNITS OF FUEL BURNED													
15	HEAVY OIL (BBL)												
16	LIGHT OIL (BBL)												
17	COAL (TON)												
18	GAS (MCF)												
19	NUCLEAR (MMBTU)												
20	OTHER												
BTU'S BURNED (MMBTU)													
21	HEAVY OIL												
22	LIGHT OIL												
23	COAL												
24	GAS												
25	NUCLEAR												
26	OTHER												
27	TOTAL (MMBTU)												
GENERATION MIX (%MWH)													
1	HEAVY OIL												
2	LIGHT OIL												
3	COAL												
4	GAS												
5	NUCLEAR												
6	OTHER												
6	TOTAL (%)												

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GENERATING SYSTEM COMPARATIVE DATA BY FUEL TYPE
 COMPANY _____
 ESTIMATED FOR THE PERIOD _____

SCHEDULE E3
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	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
FUEL COST PER UNIT													
35	HEAVY OIL (\$/BBL)												
36	LIGHT OIL (\$/BBL)												
37	COAL (\$/TON)												
38	GAS (\$/MCF)												
39	NUCLEAR (\$/MMBTU)												
40	OTHER												
FUEL COST PER MMBTU (\$/MMBTU)													
41	HEAVY OIL												
42	LIGHT OIL												
43	COAL												
44	GAS												
45	NUCLEAR												
46	OTHER												
47	TOTAL (\$/MMBTU)												
BTU BURNED PER KWH (BTU/KWH)													
48	HEAVY OIL												
49	LIGHT OIL												
50	COAL												
51	GAS												
52	NUCLEAR												
53	OTHER												
54	TOTAL (BTU/KWH)												
GENERATED FUEL COST PER KWH (#/KWH)													
55	HEAVY OIL												
56	LIGHT OIL												
57	COAL												
58	GAS												
59	NUCLEAR												
60	OTHER												
61	TOTAL (#/KWH)												

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Attachment A

SYSTEM NET GENERATION AND FUEL COST
 COMPANY _____
 ESTIMATED FOR THE PERIOD/MONTH OF _____

SCHEDULE E4

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
	Plant/Unit	Net Capability (MW)	Net Generation (MWH)	Net Capacity Factor (%)	Equivalent Availability Factor (%)	Net Output Factor (%)	Average Net Heat Rate (BTU/KWH)	Fuel Type	Fuel Burned (Units)	Fuel Heat Value (MMBTU /Unit)	Fuel Burned (MMBTU)	As Burned Fuel Cost (\$)	Fuel Cost Per KWH (¢/KWH)	Cost of Fuel (\$/unit)
1														
2														
3														
4														
5														
6														
7														
8														
9														
10														
11														
12														
13														
14														
15														
16														
17														
18														
19														
20														
21														
22														
23														
24	TOTAL													

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

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Attachment A

SYSTEM GENERATED FUEL COST INVENTORY ANALYSIS
 COMPANY _____
 ESTIMATED FOR THE PERIOD OF _____

SCHEDULE E5
 Page 1 of 2

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
--	-----	-----	-----	-----	-----	-----	-----	-----	------	-----	-----	-----	-------

HEAVY OIL

1	PURCHASES:												
2	UNIT (BBL)												
3	UNIT COST (\$/BBL)												
4	AMOUNT (\$)												
5	BURNED:												
6	UNIT (BBL)												
7	UNIT COST (\$/BBL)												
8	AMOUNT (\$)												
9	ENDING INVENTORY:												
10	UNIT (BBL)												
11	UNIT COST (\$/BBL)												
12	AMOUNT (\$)												

LIGHT OIL

13	PURCHASES:												
14	UNIT (BBL)												
15	UNIT COST (\$/BBL)												
16	AMOUNT (\$)												
17	BURNED:												
18	UNIT (BBL)												
19	UNIT COST (\$/BBL)												
20	AMOUNT (\$)												
21	ENDING INVENTORY:												
22	UNIT (BBL)												
23	UNIT COST (\$/BBL)												
24	AMOUNT (\$)												

COAL

25	PURCHASES:												
26	UNIT (TON)												
27	UNIT COST (\$/TON)												
28	AMOUNT (\$)												
29	BURNED:												
30	UNIT (TON)												
31	UNIT COST (\$/TON)												
32	AMOUNT (\$)												
33	ENDING INVENTORY:												
34	UNIT (TON)												
35	UNIT COST (\$/TON)												
36	AMOUNT (\$)												

SYSTEM GENERATED FUEL COST INVENTORY ANALYSIS
 COMPANY _____
 ESTIMATED FOR THE PERIOD OF _____

SCHEDULE E5
 Page 2 of 2

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
--	-----	-----	-----	-----	-----	-----	-----	-----	------	-----	-----	-----	-------

GAS

37	PURCHASES:												
38	UNIT (MCF)												
39	UNIT COST (\$/MCF)												
40	AMOUNT (\$)												
41	BURNED:												
42	UNIT (MCF)												
43	UNIT COST (\$/MCF)												
44	AMOUNT (\$)												
45	ENDING INVENTORY:												
46	UNIT (MCF)												
47	UNIT COST (\$/MCF)												
48	AMOUNT (\$)												

NUCLEAR

49	BURNED:												
50	UNIT (MMBTU)												
51	UNIT COST (\$/MMBTU)												
52	AMOUNT (\$)												

OTHER

53	PURCHASES:												
54	UNIT (MMBTU)												
55	UNIT COST (\$/MMBTU)												
56	AMOUNT (\$)												
57	BURNED:												
58	UNIT (MMBTU)												
59	UNIT COST (\$/MMBTU)												
60	AMOUNT (\$)												
61	ENDING INVENTORY:												
62	UNIT (MMBTU)												
63	UNIT COST (\$/MMBTU)												
64	AMOUNT (\$)												

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Attachment A

POWER SOLD
 COMPANY _____
 ESTIMATED FOR THE PERIOD _____

SCHEDULE E6

(1) MONTH	(2) SOLD TO	(3) TYPE & SCHEDULE	(4) TOTAL MWH SOLD	(5) MWH WHEELED FROM OTHER SYSTEMS	(6) MWH FROM OWN GENERATION	(7) ¢/KWH		(8) TOTAL \$ FOR FUEL ADJUSTMENT (6)x(7)(A)	(9) TOTAL COST \$ (6)x(7)(B)	(10) \$ GAIN ON OFF-SYSTEM SALES
						(A) FUEL COST	(B) TOTAL COST			
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
TOTAL										

PURCHASED POWER
 (EXCLUSIVE OF ECONOMY ENERGY PURCHASES)
 COMPANY _____
 ESTIMATED FOR THE PERIOD OF _____

SCHEDULE E7

(1) MONTH	(2) PURCHASED FROM	(3) TYPE & SCHEDULE	(4) TOTAL MWH PURCHASED	(5) MWH FOR OTHER UTILITIES	(6) MWH FOR INTERRUPTIBLE	(7) MWH FOR FIRM	(8) ¢/KWH		(9) TOTAL \$ FOR FUEL ADJUSTMENT (7)x(8)(A)
							(A) FUEL COST	(B) TOTAL COST	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
TOTAL									

ENERGY PAYMENT TO QUALIFYING FACILITIES
 COMPANY _____
 ESTIMATED FOR THE PERIOD OF _____

SCHEDULE E8

(1) MONTH	(2) PURCHASED FROM	(3) TYPE & SCHEDULE	(4) TOTAL MWH PURCHASED	(5) MWH FOR OTHER UTILITIES	(6) MWH FOR INTERRUPTIBLE	(7) MWH FOR FIRM	(8) ¢/KWH		(9) TOTAL \$ FOR FUEL ADJUSTMENT (7)x(8)(A)
							(A) FUEL COST	(B) TOTAL COST	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
TOTAL									

ECONOMY ENERGY PURCHASES
 COMPANY _____
 ESTIMATED FOR THE PERIOD OF _____

SCHEDULE E9

(1) MONTH	(2) PURCHASED FROM	(3) TYPE & SCHEDULE	(4) TOTAL MWH PURCHASED	(5) TRANSACTION COST ¢/KWH	(6) TOTAL \$ FOR FUEL ADJUSTMENTS (4)x(5)	(7) COST IF GENERATED		(8) FUEL SAVINGS (7)(B) - (6)
						(A) ¢/KWH	(B) (\$000'S)	
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
TOTAL								

RESIDENTIAL BILL COMPARISON
 FOR MONTHLY USAGE OF 1000 KWH
 COMPANY _____
 ESTIMATED FOR THE PERIOD OF _____

SCHEDULE E10

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	Current Year	Proposed Year	Difference from Current	
			\$	%
BASE RATE				
FUEL COST RECOVERY				
CAPACITY COST RECOVERY (CCR)				
ENERGY CONSERVATION COST RECOVERY (ECCR)				
ENVIRONMENTAL COST RECOVERY (ECRC)	_____	_____	_____	_____
SUBTOTAL				
GROSS RECEIPTS TAX	_____	_____	_____	_____
TOTAL				

Attachment A

CAPACITY SCHEDULES

These schedules are required to be filed in compliance with the provisions of Rule 25-6.0424, Petition for Mid-Course Correction. A utility may modify the schedules to include additional information as necessary. If a schedule line is inapplicable to the utility, it should be designated "NA."

Schedule

E12-A	Purchased Power Capacity Cost (Projected)
E12-B	Purchased Power Capacity Cost (Re-projected)
E12-C	Variance Analysis
E12-D	Calculation of Energy and Demand Percent by Rate Class
E-12E	Calculation of Capacity Cost Recovery Factors

PURCHASED POWER CAPACITY COST (PROJECTED)

COMPANY _____

FOR THE PERIOD _____

SCHEDULE E12-A

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(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
ESTIMATED (E)												
January	February	March	April	May	June	July	August	September	October	November	December	Total

- 1
- 2
- 3
- 4 Cost items
- 5
- 6
- 7
- 8
- 9
- 10 Credit Items
- 11 (Transmission, etc.)
- 12
- 13
- 14 System Total
- 15 Jurisdictional Percentage
- 16 Jurisdictional Cost
- 17
- 18 Adjustment Items
- 19
- 20
- 21 Total
- 22 Revenue Tax Multiplier
- 23 Total Recoverable
- 24 Other Supporting Details

Attachment A

PURCHASED POWER CAPACITY COST (RE-PROJECTED)

COMPANY _____

FOR THE PERIOD _____

SCHEDULE E12

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(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
ESTIMATED-ACTUAL (EA)												
January	February	March	April	May	June	July	August	September	October	November	December	Total

- 1
- 2
- 3 Cost items
- 4
- 5
- 6 Credit Items
- 7 (Transmission, etc.)
- 8 System Total
- 9 Jurisdictional Percentage
- 10 Jurisdictional Costs
- 11 Other Recoverable Costs
- 12 Adjustment Items
- 13 Net Recoverable Costs
- 14
- 15 Jurisdictional Revenues
- 16 Adjustment Items
- 17 Net Period Revenues
- 18 Net Revenue Less Expense
- 19 Interest Provision
- 20 Non-Current Cycle Provision
- 21 Other Supporting Details
- 22
- 23 Ending True-up Balance
- 24

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Attachment A

VARIANCE ANALYSIS
COMPANY _____
FOR THE PERIOD _____

SCHEDULE E12-C

<u>Line No.</u>	<u>Re-projection TOTAL</u>	<u>Org. Projection TOTAL</u>	<u>Variance TOTAL</u>	<u>Comments</u>
1				
2				REVENUE
3				Supporting Items
4				
5				COST
6				Supporting Items
7				
8				True-up Provision
9				Supporting Items
10				
11				
12				Other items
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				

CALCULATION OF ENERGY AND DEMAND PERCENT BY RATE CLASS
COMPANY _____
FOR THE PERIOD _____

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SCHEDULE E12-D

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Rate Schedule												

Notes:

Attachment A

CALCULATION OF CAPACITY COST RECOVERY FACTORS
COMPANY _____
FOR THE PERIOD _____

SCHEDULE E12-E
(12)
(11)

(10)

(9)

(8)

(7)

(6)

(5)

(4)

(3)

(2)

(1)

Rate Schedule

Notes:

Date: May 6, 2010

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: February 16, 2010
TO: Office of General Counsel (Cowdery)
FROM: Division of Economic Regulation (Hewitt) *[Handwritten initials]*
RE: Proposed Rule 25-6.0424, Petition for Mid-Course Correction, F.A.C.

DETAILED DESCRIPTION OF THE PROPOSED RULE

1. Why is the rule being proposed?

Proposed Rule 25-6.0424, Petition for Mid-Course Correction, would codify existing Commission requirements for electric utilities filing a petition for mid-course correction to fuel cost recovery or capacity cost recovery factors. Section 366.061(1), F.S. requires that all applications for changes in rates shall be made to the Commission in writing under prescribed rule and regulations.

2. What does the rule do and how does it accomplish the goal?

The proposed rule specifies what must be included in a petition for a mid-course correction to fuel cost recovery or capacity cost recovery factors. Minimum filing requirements include an estimated percentage of year-end over-recovery or under-recovery and a completed Form PSC/ECR 009-E. A 10 percent or greater over-recovery or under-recovery value would require a notification and petition to the Director of the Division of Economic Regulation.

IMPACT ON THE PSC

Incremental costs

There should be no incremental costs for the Commission.

Incremental benefits

There could be some minor benefit from codifying mid-course correction requirements.

WHO BESIDES THE PSC WILL BE AFFECTED BY ADOPTION OF THE PROPOSED RULE

Utilities/Regulated Companies

There are 5 investor-owned electric utilities (IOUs) regulated by the Commission.

Customers

Customers would not be affected.

Outside business and local governments

Small businesses and local governments would not be affected.

HOW ARE THE PARTIES ABOVE AFFECTED BY THE ADOPTION OF THE PROPOSED RULE

Estimated transactional costs to individuals and entities

Utilities

IOUs should have no transactional costs but could have some minimal benefits with the requirements for a petition for a mid-course correction specifically spelled out in one place in a rule.

Customers

Customers would not be affected.

Outside businesses including specifically small businesses

Outside businesses, including small business, would not be affected by the proposed rule.

Local governments

Local governments would not be affected by the proposed rule.

ANY OTHER PERTINENT COMMENTS REGARDING THE ADOPTION OF THE PROPOSED RULE

No other pertinent comments are germane to the proposed rule.

CH:kb

cc: Tim Devlin
Chuck Hill