### 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 13, 2010

TO:

Jim Breman, Senior Analyst, Division of Economic Regulation

FROM:

Dale N. Mailhot, Director, Office of Auditing and Performance Analysis

RE:

Docket No.: 100009-EL

Company Name: Florida Power & Light Company

Company Code: EI802

Audit Purpose: Nuclear Cost Recovery Clause – Extended Power Uprate

Audit Control No: 10-006-4-1

Attached is the final audit report for the utility stated above. I am sending the utility a copy of this memo and the audit report. If the utility desires to file a response to the audit report, it should send a response to the Office of Commission Clerk. There were confidential work papers associated with this audit.

DNM/ip

Attachment:

Audit Report

cc:

(With Attachment)

Office of Auditing and Performance Analysis (Mailhot, File Folder)

Office of Commission Clerk Office of the General Counsel

(Without Attachment)

Office of Auditing and Performance Analysis (Harvey, Tampa District Office, Miami

District Office, Tallahassee District Office)

DOODMERT NUMBER-DATE 04054 MAY 13 º

FPSC-COMMISSION CLERK



### FLORIDA PUBLIC SERVICE COMMISSION

# OFFICE OF AUDITING AND PERFORMANCE ANALYSIS BUREAU OF AUDITING

Miami District Office

Florida Power & Light Co. Nuclear Uprate Audit

Twelve Months Ended December 31, 2009

**DOCKET NO. 100009-EI AUDIT CONTROL NO. 10-006-4-1** 

Iliana H. Piedra Audit Manager

Mara 9

Yen Ngo Audit Staff

Kathy Welch Public Utilities Supervisor

DOCUMENT NO. DATE

OYOSY-10 5/13/10
PSC - COMMISSION CLERK

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### OFFICE OF AUDITING AND PERFORMANCE ANALYSIS AUDITOR'S REPORT

May 11, 2010

#### TO: FLORIDA PUBLIC SERVICE COMMISSION

We have performed the procedures enumerated later in this report to meet the agreed upon objectives set forth by the Division of Economic Regulation in its audit service request. We have applied these procedures to the attached schedules prepared by Florida Power & Light Co. in support of its Nuclear Uprate Filing, Docket No. 100009-EI.

This audit was performed following general standards and field work standards found in the AICPA Statements on Standards for Attestation Engagements. Our report is based on agreed upon procedures and the report is intended only for internal Commission use.

### **OBJECTIVES AND PROCEDURES:**

**Objective:** The objective of the audit was to audit 2009 Construction costs for the Extended Power Uprate (EPU) project, especially considering requirements of Section 366.93, Florida Statutes and Rule 25-6.0423, Florida Administrative Code.

**Procedures:** We read the Statute and the rule. We obtained an Excel file of all the charges made to the filing. We reconciled the filing to the Excel file. We sorted the file by both dollar amounts and vendors and selected a sample that included the high dollar items and an assortment of the various vendors charged to the project. We traced the sample to source documentation.

We compared the amounts paid to the contractor to the supporting invoices and purchase orders and compared the rates paid to the contracts when applicable. We also traced various sample items to a listing of open contracts provided by the utility. We reviewed journal vouchers and traced to proper supporting documentation.

For payroll, we obtained a list of all employees and hours worked on the Nuclear Uprate plants. The utility adjusted this payroll for hours not deemed incremental to the project. The adjustments were traced to the journal vouchers.

For the affiliate charges we obtained the affiliate employees charged to the uprate and their salary information. We obtained the invoices from the affiliate and traced to additional documentation. We recalculated the payroll dollars based on the employees' basic pay and obtained documentation from an outside firm regarding a market rate and compared to the rate charged by the affiliate. We also traced any travel expenses to source documentation and determined how it relates to the uprate.

**Objective:** The objective of the audit was to reconcile the T schedules to the general ledger.

**Procedures:** FPL provided CDs of all the costs and the amounts on the CDs were reconciled to the filing and also to the general ledger.

**Objective:** The objective of the audit was to identify the Deferred Tax Adjustment amount, and total carrying costs associated with these costs.

**Procedure:** We recalculated the deferred tax adjustment and the carrying charges.

**Objective:** The objective of the audit was to audit the Operating and Maintenance expenses.

**Procedures:** We obtained a CD with the charges in the filing. This file was sorted and the large dollar amounts were selected for testing. We also verified that charges related to software and furniture were properly removed from the costs in the filing.

**Objective:** The objective of the audit was to review and document the Company's separate and apart process for identifying and applying adjustments necessary to ensure the NCR amount is limited to those costs that are separate and apart from nuclear costs that would have been necessary had there been no uprate project.

**Procedures:** We read the utility's testimony related to the separate and apart procedures. We obtained copies of a production of documents and interrogatories related to the separate and apart procedures. We read PSC Orders which discuss the procedures and reviewed the work performed by the Performance Analysis section in Tallahassee. We reviewed the Recoverable Cost Justification Forms prepared by the utility and agreed to our sample items, when applicable.

**Objective:** The objective was to review any internal audits to determine if any adjustments affect the audit.

**Procedures:** We read the utility's internal audits. We determined what testing was done and reviewed the findings.

### **III. COMPANY EXHIBITS**

### Appendix I Nuclear Cost Recovery Extended Power Uprate Project Nuclear Filing Requirements (NFR's) T-Schedules (True Up) January 2009 - December 2009

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5-6	T-3	True-Up of Carrying Costs	W. Powers
7-9	T-3A	Deferred Tax Carrying Costs	W. Powers
10-11	2008 T-3A	2008 Deferred Tax Carrying Costs	W. Powers
12-13	T-3B	Construction Period Interest	W. Powers
14	T-4	CCRC Recoverable O&M Monthly Expenditures	W. Powers & T. Jones
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15	Т-6	Monthly Expenditures	W. Powers & T. Jones
16	T-6A	Monthly Expenditures Description	T. Jones
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# St. Lucle and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction Cost Balance True-up Filing: Retail Revenue Requirements Summary

[Section (5)(c)1.b.]

Schedule T-1 (True-up)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA POWER & LIGHT COMPANY

DOCKET NO : 100009-EI

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the prior year and the previously filed expenditures.

For the Year Ended 12/31/2009 Witness: Winnie Powers

Line		(A) Actual	(B) Actual	(C) Actual	(D) Actual	(E) Actual	(F) Actual	(G) 6 Month
No.		January	February	March	April	May	June	Total
			•	lurisdictional Do	llars			
1	Pre-Construction Revenue Requirements (Schedule T-2, line 7)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Construction Carrying Cost Revenue Requirements (Schedule T-3, line 8)	\$723,685	\$853,646	\$965,429	\$1,078,098	\$1,192,795	\$1,345,768	\$6,159,423
3	Recoverable O&M Revenue Requirements (Schedule T-4, line 29)	\$0	\$0	\$62	\$96,481	\$67,108	\$136,899	\$300,549
4	DTA/(DTL) Carrying Cost (Schedule T-3A, line 8)	(\$95,778)	(\$101,958)	(\$108,192)	(\$114,483)	(\$120,831)	(\$127,235)	(\$668,477)
5	Other Adjustments (b) Pg. 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Total Period Revenue Requirements (Lines 1 though 5)	\$627,907	\$751,689	\$857,299	\$1,060,096	\$1,139,072	\$1,355,432	\$5,791,494
7	Projected Carrying Costs (Order No. PSC 08-0749-F0F-EI)	\$693,693	\$713,255	\$749,325	\$810,482	\$887,743	\$986,557	\$4,841,055
8.	Oifference (Line 6 - Line 7)	(\$65,786)	\$38,433	\$107.974	\$249,614	\$251,329	\$368,875	\$950,439
9	Actual / Estimated Return Requirements for the period (Order No. PSC 09-0783-FOF-EI)	722,780	853,550	965,077	1,319,927	1,387,345	1,631,791	\$6,880,470
10	Final True-Up Amount for the Period (Line 6 - Line 9)	(\$94,873)	(\$101,861)	(\$107,778)	(\$259,832)	(\$248,273)	(\$276,359)	(\$1,088,976)

See Notes on Page 2

Page 1 of 2

#### Schedule T-1 (True-up)

#### St. Lucle and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction Cost Balance True-up Filing: Retail Revenue Requirements Summary

[Section (5)(c)1.b.]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of

COMPANY: FLORIDA POWER & LIGHT COMPANY

total retail revenue requirements based on actual expenditures for the prior year and the previously filed

expenditures.

DOCKET NO.: 100009-EH

Witness: Winnie Powers

For the Year Ended 12/31/2009

∟ine		(H) Actual	(I) Actual	(J) Actual	(K) Actual	(L) Actual	(M) Actual	(N) 12 Month	(O) (c)	(P)
No.		July	August	September	October	November	December	Total	Adjustments	Total
				Jurisdictional Do	dlars					
1	Pre-Construction Revenue Requirements (Schedule T-2, line 7)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Construction Carrying Cost Revenue Requirements (Schedule T-3, line 8)	\$1,554,985	\$1,760,987	\$1,943,923	\$2,100,165	\$2,302,492	\$2,521,771	\$18,343,745	\$0	\$18,343,745
3	Recoverable O&M Revenue Requirements (Schedule T-4, line 29)	\$7,816	\$3,176	\$2,162	\$125,876	(\$31,399)	\$70,269	\$478,450	\$0	\$478,450
A	DTA/(DTL) Carrying Cost (Schedule T-3A, line 8)	(\$133,689)	(\$140,153)	(\$146,749)	(\$153,362)	(\$160,032)	(\$166,628)	(\$1,569,091)	(\$315,325)	(\$1,884,416)
5	Other Adjustments (b) Pg. 2	\$0	\$0	\$0	\$0	\$0	\$12,802	\$12,802	\$0	\$12,802
ô	Total Period Revenue Requirements (Lines 1 though 5)	\$1,429,112	\$1,624,010	\$1,799,336	\$2,072,678	\$2,111,061	\$2,438,214	\$17,265,905	(\$315,325)	\$16,950,581
7	Projected Carrying Costs (Order No. PSC 08-0749-FOF-EI)	\$1,168,918	\$1,467,030	\$1,820,844	\$2,160,350	\$2,452,488	\$2,642,332	\$16,553,019	\$0	\$16,553,019
8	Difference (Line 6 - Line 7)	\$260,193	\$156,980	(\$21,508)	(\$87,672)	(\$341,427)	(\$204,119)	\$712,887	(\$315,325)	\$397,562
9	Actual / Estimated Return Requirements for the period (Order No. PSC 09-0783-FOF-EI)	1,860,999	2,047,838	2,232,238	2,432,826	2,631,733	2,839,214	\$20,925,318	\$0	20,925,318
10	Final True-Up Amount for the Period (Line 6 - Line 9)	(\$431,888)	(\$423,828)	(\$432,903)	(\$360,147)	(\$520,671)	(\$401,000)	(\$3,659,412)	(\$315,325)	(\$3,974,737)

<sup>(</sup>a) The costs associated with the expansion of the Turkey Point and St. Lucie Nuclear Power Plants (uprate project) were included in Account 183, Preliminary Survey and Investigation Charges for the period July 2007 through December 2007. On January 7, 2008, the Commission issued Order No. PSC-08-0021-FOF-EI approving FPL's need determination for the uprates. In that Order the Commission determined that Rule No. 25-6.0423, F.A.C. is applicable to the costs of the uprate project. As a result of the issuance of this Order, in January 2008 these costs were transferred to Construction Work in Progress account 107 and carrying charges began accruing.

Page 2 of 2

<sup>(</sup>b) Other Adjustments Line 5 represents Base Rate Revenue Requirements for 2009 for the Turbine Gantry Crane placed into service on December 22, 2009 per Rule No. 25-6.0423 Section (7)(b). Refer to WP-3.

<sup>(</sup>c) Represents carrying charges through December 31, 2008 for 2007 & 2008 tax deductions under IRS Code Section 174. (See NFR 2008 Deferred Tax Carrying Charge Schedule T-3A)

True-up Filling: Construction Costs

[Section (5)(c)1.b.]

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA POWER & LIGHT COMPANY

EXPLANATION:

Provide the calculation of the final true-up of carrying costs

on construction expenditures, based on actual carrying costs on construction expenditures

and the previously filed estimated carrying costs.

For the Year Ended 12/31/2009

Witness: Winnie Powers

DOCKET NO.: 100009-EI

Schedule T-3 (True-up)

ne lo.		(A) Beginning of Period	(8) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
	Nuclear CWIP Additions (f) Pg 2	\$73,050,739	\$14,626,557	\$15,622,420	Jurisdictional Dolli \$10,339,852	srs \$15,638,113	\$10,675,231	\$24,282,763	\$91,184,937
	Transfers to Plant in Service (g) Pg 2		\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Unamortized Carrying charge Eligible for return (d) Pg.2	\$2,357,995	\$2,046,912	\$1,735,828	\$1,424,745	\$1,113,661	\$802,577	\$491,494	\$491,494
	Amortization of Carrying charge (d) Pg. 2	\$3,733,003	\$311,084	\$311,084	\$311,084	\$311,084	\$311,084	\$311,084	\$1,866,502
	CWIP Base Eligible for Return (Line 1 - 2 - 4) + Prior Months (Line 5 + Line 10)	\$75,408,735	\$89,724,208	\$105,063,703	\$115,231,189	\$130,772,808	\$141,403,217	\$165,678,753	\$165,678,753
-	Average Net CWIP Additions		\$82,566,471	\$97,393,955	<b>\$</b> 110,147,446	\$123,001,998	\$136,088,013	\$153,540,985	n/a
	Return on Average Net CWIP Additions								
a.	Equity Component (Line 6b* .61425) (a)		\$377,281	\$445,035	\$503,311	\$562,049	\$621,844	\$701,594	\$3,211,114
b.	Equity Comp. grossed up for taxes. (Line 5 * 0.007439034) (a) (b) (c)		\$614,215	\$724,517	\$819,391	\$915,016	\$1,012,363	\$1,142,197	\$5,227,698
¢	Debt Component (Line 5 x 0.001325847) (c)		\$109,471	\$129,129	\$146,039	\$163,082	\$180,432	\$203,572	\$931,724
	Total Return Requirements (Line 6b + 6c)		\$723,685	\$853,646	\$965,429	\$1,078,098	\$1,192,795	\$1,345,768	\$6,159,423
٠.	Projected Carrying Costs (Order No. PSC 08-0749-FOF-EI)		\$695,526	\$714,929	\$750,840	\$811,837	\$688,938	\$987,594	\$4,849,664
0	Difference (Line 8 - Line 9)	-	\$28,159	\$138,717	\$214,590	\$266,261	\$303,857	\$358,175	\$1,309,759
1	Actual / Estimated True-up of Carrying Cost (Order No. PSC 09-0783-FOF-EI)		723,982	854,646	966,067	1,121,449	1,344,987	1,589,329	\$6,600,460
2	Final True-Up of Uprate Construction Carrying Costs (Line 8 - Line 11 )		(\$297)	(\$1,000)	(\$638)	(\$43,351)	(\$152,192)	(\$243,561)	(\$441,037)

<sup>(</sup>a) For carrying charge purposes the monthly equity component reflects an 11% return on equity.

<sup>(</sup>b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 35% & 5.5% for state income taxes.

<sup>(</sup>c) in order to gross up the equity component for taxes a monthly rate of 0.007439034 (Equity) and 0.001325847 (Debt), results in the annual pre-tax rate of 11.04%.

# St. Lucie and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction Cost Balance True-up Filling: Construction Costs

[Section (5)(c)1.b.]

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide the calculation of the final true-up of carrying costs on construction expenditures, based on actual COMPANY: FLORIDA POWER & LIGHT COMPANY carrying costs on construction expenditures For the Year Ended 12/31/2009 and the previously filed estimated carrying costs. DOCKET NO.: 100009-EI Witness: Winnie Powers (I) (N) (0) (P) Line Beginning Actual Actual Actual Actual Actual 12 Month Actual No. of Period October July August September November December Total Jurisdictional Dollars Nuclear CWIP Additions \$23,417,080 \$24,758,475 \$15,637,776 \$20,220,281 \$27,246,801 \$34,140,600 \$236,605,950 2 Transfers to Plant in Service (g) Pg 2 \$0 \$0 \$0 \$0 \$0 \$2,424,908 \$2,424,908 3 Unamortized Carrying charge Eligible for return (d) Pg.2 \$180.410 (\$130,674) (\$441,757) (\$752,841) (\$1,063,924) (\$1,375,008) 4 Amortization of Carrying charge (d) Pg. 2 \$311,084 \$311,084 \$311,084 \$311,084 \$311,084 \$311.084 \$3,733,003 5 CWIP Base Eligible for Return (Line 1 - 2 - 4) + Prior Months (Line 5 + Line 10) \$165,678,753 \$189,142,925 \$213,975,506 \$229,595,437 \$249,627,156 \$276,502,289 \$307,756,662 \$307,636,021 Average Net CWIP Additions \$177,410,839 \$201,559,215 \$221,785,472 \$239,611,297 \$263,064,723 \$292,129,476 Return on Average Net CWIP Additions (e) Pg. 2 (e) Pg. 2 (e) Pg. 2 a Equity Component (Line 6b\* .61425) (a) \$810,666 \$918,061 \$1,013,432 \$1,094,886 \$9.563.209 \$1,200,366 \$1,314,684 b. Equity Comp. grossed up for taxes (Line 5 \* 0.007439034) (a) (b) (c) \$1,319,765 \$1,494,605 \$1,649,870 \$1,782,477 \$1,954,198 \$2,140,307 \$15.568.920 c Debt Component (Line 5 x 0.001325847) (c) \$235,220 \$266,382 \$294,054 \$317,688 \$348,294 \$381,464 \$2,774,825 Total Return Requirements (Line 6b + 6c) \$1,554,985 \$1,760,987 \$1,943,923 \$2,100,165 \$2,302,492 \$2,521,771 \$18,343,745 Projected Carrying Costs (Order No. PSC 08-0749-FOF-EI) \$1,169,795 \$1,467,748 \$1,821,402 \$2,160,748 \$2,452,727 \$2,642,412 \$16,564,497 10 Difference (Line 8 - Line 9) \$385,190 \$293,239 \$122,521 (\$60.584) (\$150,235) (\$120.641) \$1 779 248

1,818,433

(\$263,448)

2,005,168

(\$244.181)

2,189,466

(\$245,543)

2,362,131

(\$261,967)

2,560,936

(\$258,444)

2,768,316

(\$246,545)

20.304.910

(\$1,961,165)

Actual / Estimated True-up of Carrying Cost (Order No. PSC 09-0783-FOF-EI)

Final True-Up of Uprate Construction Carrying Costs (Line 8 - Line 11)

Schedule T-3 (True-up)

11

12.

(d) To include a return on the actual 2008 balances (line 3) and reflect the recovery of prior actual estimated balances (line 4).

Difference of \$1,375,005 pertains to the 2008 over recovery con	ected from January 1	, 2009 to December 31, 2009.	
Lines 3&4 Beginning Balances include:	2008 AE-3	2008 T-3	Difference
2008 Construction Carrying Costs (Schedule AE/T-3 Line 3)	\$3,740,411	\$2,363,019	(\$1,377,391)
2008 DTA/(DTL) Carrying Costs (Schedule AE/T-3A Line 8)	(\$7,407)	(\$5,024)	\$2,383
	\$3,733,003	\$2,357,995	(\$1,375,008)

(e) Line 5, Column K, N, & O - Return on Average Net Unamortized CWIP Eligible for Return -In August 2009, a retroactive carrying charge adjustment was made as a result of

the removal of costs of computer equipment and furniture not meeting the capitalization requirements.

In November 2009, a retroactive carrying charge adjustment was made as a result of EPU Turbine Gantry Costs reclassified from the project that were already included in base rates and removal costs included in December 2009 carrying charges is a retro-active carrying charge adjustment due to the removal of contractor payments.

	August	November	December
Carrying Charge Retro-Active Adjustment	(\$5,656)	(\$3,239)	(\$38,709)
Carrying Charge	\$1,766,643	\$2,305,731	\$2,560,480
Total Return Requirements	\$1,760,987	\$2,302,492	\$2,521,771

<sup>(</sup>f) The months of January, February & March have been adjusted to reflect the jurisdictional separation factor from .99570135 (May 2009 A/E Filling) to .99648888, Additionally, January and February have been adjusted to reflect actual participant amounts, (See Schedule T-6 Line 15)

<sup>(</sup>a) For carrying charge purposes the monthly equity component, reflects an 11% return on equity.

<sup>(</sup>b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 35% & 5.5% for state income taxes.

<sup>(</sup>c) In order to gross up the equity component for taxes a monthly rate of 0.007439034 (Equity) and 0.001325847 (Debt), results in the annual pre-tax rate of 11.04%.

Transfer to Plant in Service (Line 2, Column O) represents the Nuclear CWIP additions for the Turbine Gantry Crane placed into service on December 22, 2009 (See Appendix I - A).

# St. Lucie and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction Cost Balance True-up Filing: Deferred Tax Carrying Costs

[Section (5)(c)1 b.]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs.

COMPANY FLORIDA POWER & LIGHT COMPANY

Witness: Winnie Powers

For the Year Ended 12/31/2009

DOCKET NO	100009-EI

Line No		(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actuat March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
· · · · · · · · · · · · · · · · · · ·			· · · · · · · · · · · · · · · · · · ·		Jurisdictional C				10101
1 Construction Period Interes	st (Schedule T-3B, Line 7)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 Recovered Costs Excluding	AFUDC		\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 Other Adjustments (d) Pg.	3		(\$1,584,083)	(\$1,584,083)	(\$1,584,083)	(\$1,584,083)	(\$1,584,083)	(\$1.584,083)	(\$9,504,499
4 Tax Basis Less Book Basis	(Prior Mc Balance + Line 1 + 2 + 3) (e) Pg. 3	(25,705,444)	(28,289,527)	(29,873,610)	(\$31,457,693)	(\$33,041,776)	(\$34,625,859)	(\$36,209,942)	(\$36,209.942
5 Deferred Tax Asset DTA/(D	OTL) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575% (\$10,301,625)	) (\$10,912,685)	(\$11,523,745)	(\$12,134,805)	(\$12,745,865)	(\$13,356,925)	(\$13,967,985)	(\$13,967.985
6 a. Average Accumulated DTA	V(DTL)		(\$10,607,155)	(\$11,218,215)	(\$11,829,275)	(\$12,440,335)	(\$13,051,395)	(\$13 662,455)	
b. Prior months cumulative Re	elum on OTA/(DTL) (f) Pg 3		(\$320,349)	(\$414,294)	(\$514,577)	(\$521,255)	(\$734,384)	(\$854,019)	(\$980.218)
c. Average DTA/(DTL	.) including pnor period relum subtotal		(\$10,927,504)	(\$11,632,509)	(\$12,343,852)	(\$13,061,590)	(\$13,785,779)	(\$14,516,474)	
? Carrying Cost on DTA/(DTI	.)								
a Equity Component (Line ?	b* 61425) (a)		(\$49,932)	(\$53,154)	(\$56,404)	(\$59,684)	(\$62,993)	(\$66,332)	(\$348,500)
b Equity Comp. grossed up	for taxes (Line 6c * 0.007439034) (a) (b) (c)		(\$81,290)	(\$86,535)	(\$91,826)	(\$97,166)	(\$102,553)	(\$107,989)	(\$567,358)
c. Debt Component (Line 6c :	( 0 001325847) (c)		(\$14,488)	(\$15,423)	(\$16,366)	(\$17,318)	(\$18,278)	(\$19,247)	(\$101 119)
8 Final Total Return Requires	ments (Line 7b + 7c)		(\$95,776)	(\$101,958)	(\$108,192)	(\$114,483)	(\$120,831)	(\$127,235)	(\$668,477)
Projected Carrying Costs o	n DTA/(DTL) (Order No. PSC 08-0749-FOF-EI)		(\$1,833)	(\$1,674)	(\$1,514)	(\$1,355)	(\$1,196)	(\$1,036)	(\$8,609)
10 Oifference True-Up to Proje	ection (Line 8 - Line 9)		(\$93,945)	(\$100,284)	(\$106,678)	(\$113,128)	(\$119,635)	(\$126,199)	(\$659,869)
11 Actual / Estimated True-up	Amount for Carrying Cost on DTA/(DTL) (Order No. PSC 09-0783-FOF-EI)		(1,202)	(1,096)	(990)	(885)	(780)	(676)	(\$5,629)
12 Final True-Up of Carrying (	Costs on DTA/(DTL) (Line 8 - Line 11 )		(\$94,576)	(\$100,862)	(\$107,202)	(\$113,598)	(\$120,051)	(\$126,559)	(\$662,848

See Additional Notes on Page 3

<sup>(</sup>a) For carrying charge purposes the monthly equity component reflects an 11% return on equity.
(b) Requirement for the payment of income taxes is calculated using a Federal income Tax rate of 35% & 5.5% for state income taxes.
(c) In order to gross up the equity component for taxes a monthly rate of 0.007439034 (Equity) and 0.001325847 (Debt), results in the annual pre-tax rate of 11.04%.

### St. Lucie and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction Cost Balance True-up Filling: Deferred Tax Carrying Costs

[Section (5)(c)1 b.]

FLORIDA PUBLIC SERVICE COMMISSION

Schedule T-3A (True-up)

DOCKET NO 100009-EI

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs.

COMPANY FLORIDA POWER & LIGHT COMPANY

Witness: Winnie Powers

For the Year Ended 12/31/2009

Line No.		(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total	(Q) Adjustments	(R) Total
					Junsdictional D						
1	Construction Penod Interest (Schedule T-3B, Line 7)		\$4,790	\$5,390	\$6,685	\$7.857	\$8,244	\$9,620	\$42,386		
2	Recovered Costs Excluding AFUDC		\$0	\$0	\$0	\$0	\$0	\$0	\$0		
3	Other Adjustments (d) Pg 3		(\$1,584,083)	(\$1,584,083)	(\$1,584,083)	(\$1,584,083)	(\$1,584,083)	(\$1,584,083	(\$19,008,997)		
4	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3) (e) Pg. 3	(\$36,209,942	(\$37,789,235)	(\$39,367,928)	(\$40,945,326)	(\$42,521,753)	(\$44,097,592)	(\$45,672,055	(\$45,672,055)		
5	Deferred Tax Asset CTA/(DTL) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575% (\$13,967,985	) (\$14,577,198)	(\$15,186,178)	(\$15,794,660)	(\$16,402,766)	(\$17,010,646)	(\$17,617,995	) (\$17,617,995)		
6	a Average Accumulated DTA/(DTL)		(\$14,272,591)	(\$14,881,688)	(\$15,490,419)	(\$16,098,713)	(\$16,706,706)	{\$17,314,321	)		
	b Prior months cumulative Relum on DTA/(DTL) (f) Pg. 3		(\$980,218)	(\$1,113,030)	(\$1,252,465)	(\$1,398,657)	(\$1,551,620)	(\$1,711,413	) (\$1,877,962)		
	c Average DTA/(DTL) including prior period return subtotal		(\$15,252,809)	(\$15,994,718)	(\$16,742,884)	(\$17,497,389)	(\$18,258,327)	(\$19,025,734	)		
7	Carrying Cost on DTA/(DTL)			(g) Pg.3				(g) Pg.3		(h) Pg. 3	
	a. Equity Component (Line 7b* 61425) (a)		(\$69,697)	(\$73,067)	(\$76,505)	(\$79,953)	(\$83,430)	(\$85,869	) (\$818,021)	(\$164,389)	(\$982,410
	b. Equity Comp. grossed up for taxes (Line 6c * 0.007439034) (a) (b) (c)		(\$113,466)	(\$118,953)	(\$124,551)	(\$130,164)	(\$135,824)	(\$141,423	) (\$1,331,739)	(\$267,626)	(\$1,599,365
	c Debt Component (Line 6c x 0.001325847) (c)		(\$20,223)	(\$21,200)	(\$22,199)	(\$23,199)	(\$24,208)	(\$25,205	(\$237,352)	(\$47,699)	(\$285,051)
8	Final Total Return Requirements (Line 7b + 7c)		(\$133,689)	(\$140,153)	(\$145,749)	(\$153,362)	(\$160,032)	(\$156,628	) (\$1,569,091)	(\$315,325)	(\$1,884,416
9	Projected Carrying Costs on DTA/(DTL) (Order No. PSC 08-0749-FOF-EI)		(\$877)	(\$717)	(\$558)	(\$399)	(\$239)	(\$80	) (\$11,478)	\$0	(\$11,478
10	Difference True-Up to Projection (Line 8 - Line 9)		(\$132,812)	(\$139,435)	(\$146,191)	(\$152,964)	(\$159,793)	(\$166,549	) (\$1,557,613)	(\$315,325)	(\$1,872,938
11	Actual / Estimated True-up Amount for Carrying Cost on DTA/(DTL) (Order No. PSC 09-0783-FOF-EI)		(572)	(468)	(366)	(263)	(161)	(60	(\$7.519)	\$0	(\$7,519
12	Final True-Up of Carrying Costs on DTA/(DTL) (Line 8 - Line 11.)		(\$133,117)	(\$139,684)	(\$146,384)	(\$153,099)	(\$159,871)	(\$166.568	) (\$1,561,572)	(\$315,325)	(\$1,876,897

See Additional Notes on Page 3

Page 2 of 3

<sup>(</sup>a) For carrying charge purposes the monthly equity component reflects an 11% return on equity.
(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 35% & 5.5% for state income taxes.
(c) in order to gross up the equity component for taxes a monthly rate of 0.007439034 (Equity) and 0.001325847 (Debt), results in the annual pre-tax rate of 11 04%.

Schedule T-3A (True-up)

### St. Lucie and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction Cost Balance True-up Filling: Deferred Tax Carrying Costs

[Section (5)(c)1.b.]

FLORIDA	A PUBLIC SERVICE COMMISSION		EXPLANATION:	Provide the calculation of the Actual	
COMPA	NY FLORIDA POWER & LIGHT COMPANY			deferred tax Carrying Costs	For the Year Ended 12/31/2009
DOCKET	FNO 190009-ÉI				Witness: Winnie Powers
Line No					
	Notes				
(d	Line 3 - Other Adjustments represents the turn around of the book ta:     This amount also includes 2009 income tax deductions. Amount is an 2008 Other Adjustments T-3, Line 6c 2009 Income Tax Deductions.*     See Note (i)				
(e	e) Line 4 - Tax Basis Less Book Basis (Beginning of Period) includes the 2008 T-3A Line 4 (12 month) Balance 2008 Income Tax Deductions **	ne following: (\$357,449) (\$26,347,994) (\$26,705,444)			
	" See Attached 2008 Schedule T-3A				
(1)	Line 8b - Prior Months Cumulative Return on DTA/(DTL) (January Bai The 2008 carrying charges to be refunded to customers are shown in 2008 T-34 Line 6B (12 Month Total) 2008 Carrying Charge Adjustment related to Income Tax Deductions'	n Column Q. (\$5,024)	es related to the inc	ome tax deductions in order to calculate a return in 2009.	
	** See Attached 2008 Schedule T-3A	(6025,575)			
(g	i) Line ? (Column K & O) - Carrying Costs on DTA/(DTL) August Balan the removal of computer equipment and furniture from costs not mee December 2009 carrying charges include a retro-active carrying charge DTA/(DTL) Carrying Charge Retro-Active Adjustment DTA/(DTL) 2009 Carrying Charges	eting the capitalization requirements			
(h	Adjustments (Column Q) reflect the carrying charge impact through 2: The 2008 deferred income tax liability related to deductions prior to 2:	2008 related to 2008 income tax dec 2009 is included in Column A line 4,	fuctions, to be refund on page 1 as explai	ded to customers in 2011, ned in footnote (e).	
(1)	Estimated 2009 deductions under the following IRS Code Section, Ri applied ratably over the 12 months in 2009 and are included in the 20 of this filting, deductions taken on the 2009 tax return will be trued up related to 2008 through 2009 deductions are included in total carrying The jurisdictional tax deduction is determined by the jurisdictional sep	009 T-3a schedule Other Adjustmer in the 2010 T-3a schedules filed or g charges on the T-3a schedule.	nts Line 3 (see note n March 1, 2011. Th	d). Since FPL has not filed its 2009 tax return at the time	
	Tax Deduction Description	System FPL System Deductions Qualifying Attributed to Expenditures Qualifying Expenditures		dictional uctions	
2009	R&D	\$ 19,434,684 \$ 19,434,684	0.99648888 19	.366,447	

True-up Filing: 2008 Deferred Tax Carrying Costs

[Section (5)(c)1.b.]

2008 Schedule T-3A (True-up)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs.

COMPANY: FLORIDA POWER & LIGHT COMPANY

Witness: Winnie Powers

For the Year Ended 12/31/2008

DOCKET NO.: 100009-EI

e		(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Tolai
	<u> </u>			J	urisdictional Dolla	irs			
Construction Period Interest (Schedule T-3B, Line 7)			\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recovered Costs Excluding AFUDC			\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Adjustments (d)(e) Pg. 2			\$0	\$0	\$0	\$0	\$0	\$0	<b>\$</b> 0
Tax Basis Less Book Basis (Pnor Mo Balance + Line 1 + 2 + 3)		\$0	\$0	\$0	\$0_	\$0	\$0	\$0	\$0
Deferred Tax Asset DTA/(DTL) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38,575%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
a Average Accumulated DTA/(DTL)			\$0	\$0	\$0	\$0	\$0	\$0	
b Prior months cumulative Return on OTA/(DTL)			\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Average DTA/(DTL) including prior period return subtotal			\$0	\$0	\$0	\$0	\$0	\$0	
Carrying Cost on DTA/(DTL)									
a. Equity Component (Line 7b* .61425) (a)			\$0	\$0	\$0	\$0	\$0	\$0	\$0
b Equity Comp. grossed up for taxes (Line 6c * 0.007439034) (a) (b) (c)			\$0	\$0	\$0	\$0	\$0	\$0	\$0
c Debt Component (Line 6c x 0.001325847) (c)			\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Return Requirements (Line 7b + 7c)			\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Return Requirements from most recent Projections									\$0
Difference (Line 8 - Line 9)			\$0	\$0	\$0	\$0	\$0	\$0	\$0_

See Additional Notes on Page 2

<sup>(</sup>a) For carrying charge purposes the monthly equity component ineffects an 11% return on equity.
(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 35% & 5.5% for state income taxes.

<sup>(</sup>c) In order to gross up the equity component for taxes a monthly rate of 0.007439034 (Equity) and 0.001325847 (Debt), results in the annual pre-tax rate of 11.04%.

True-up Filing: 2008 Deferred Tax Carrying Costs

2008 Schedule T-3A (True-up) FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs.

COMPANY, FLORIDA POWER & LIGHT COMPANY

For the Year Ended 12/31/2008

Witness Winnie Powers

[Section (5)(c)1.b.]

DOCKET NO : 100009-EI

Line No			(1) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
						Jurisdictional Dolla	ırs			···-··-
1	Construction Period Interest (Schedule T-3B, Line 7)			\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Recovered Costs Excluding AFUDC			\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Other Adjustments (d)(e) Pg. 2			\$0	\$0	(\$26,347,994)	\$0	\$0	\$0	(\$26,347,994)
4	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	-	\$0	\$0	\$0	(\$26,347,994) (	\$26,347,994)	(\$26,347,994)	(\$26,347,994)	(\$26,347,994)
5	Deferred Tax Asset DTA/(DTL) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575%	\$0	\$0	\$0	(\$10,163,739)	\$10,163,739)	(\$10,163,739)	(\$10,163,739)	(\$10,163,739)
6	a. Average Accumulated DTA/(DTL)			\$0	\$0	(\$5,081,869)	\$10,163,739)	(\$10,163,739)	(\$10,163,739)	
	b. Prior months cumulative Return on DTA/(DTL)			\$0	\$0	\$0	(\$44,542)	(\$134.016)	(\$224,275)	(\$315,325)
	Average DTA/(DTL) including prior period return subtotal			\$0	\$0	(\$5,081.869)	(\$10,208,281)	(\$10,297,755)	(\$10,388,014)	
7	Carrying Cost on DTA/(DTL)									
	a. Equity Component (Line 7b* 61425) (a)			\$0	\$0	(\$23,221)	(\$46,646)	(\$47 055)	(\$47,467)	(\$164,389)
	Equity Comp. grossed up for taxes (Line 6c * 0.007439034) (a) (b) (c)			\$0	\$0	(\$37,804)	(\$75,940)	(\$76,605)	(\$77,277)	(\$267,626)
	C Debi Componeni (Line 6c x 0.001325847) (c)			\$0	\$0	(\$6,738)	(\$13,535)	(\$13,653)	(\$13,773)	(\$47,699)
8	Total Return Requirements (Line 7b + 7c)			\$0	\$0	(\$44,542)	(\$89,474)	(\$90,259)	(\$91,050)	(\$315,325)
9.	Total Return Requirements from most recent Projections									
10	Difference (Line 8- Line 9)			\$0	\$0	(\$44,542)	(\$89,474)	(\$90,259)	(\$91,050)	(\$315,325

<sup>(</sup>a) For carrying charge purposes the monthly equity component ireflects an 11% return on equity.

The beginning balance in the 2009 T-3a has been adjusted to reflect the deferred tax liability related to these deductions.

	Tax Deduction Description	FPL System Qualifying Expenditures	System Deductions Attributed to Qualifying Expenditures	Jurisdictional Separation Factor	Jurisdictional Deductions
2007	R&D	\$ 4,900,000	\$ 4,900,000	0.99648888	4,882,796
2008	R&D	\$21,540,831	\$ 21,540,831	0.99648888	21,465,199
	Total Ceductions Taken in 2008	\$26,440,B31	\$ 26,440,831	0.99648888	26,347,994

<sup>(</sup>b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 35% & 5.5% for state income taxes.

<sup>(</sup>c) In order to gross up the equity component for taxes a monthly rate of 0.007439034 (Equity) and 0.001325847 (Debt), results in the annual pre-tax rate of 11.04%.

ld) FPL deducted costs on the income tax returns from 2007 -2008 under the following IRS Code Section, Research and Development (IRC Sec. 174) (sometimes referred to as Research and Experimentation)

<sup>(</sup>e) The deferred tax liability created by deductions related to expenditures incurred in 2007 and 2008 is reflected in the NFR Schedules as of September 2008 which is when FPL filed its 2007 tax return.

The carrying charges on these deferred tax liabilities through 2008 are reflected in the 2009 T-3a Schedules Column Q.

True-up Filing: Construction Period Interest for St Lucie Unit 2 Turbine Gantry Crane

Schedule T-3B (True-up) FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual

COMPANY: FLORIDA POWER & LIGHT COMPANY

Construction Period Interest.

DOCKETNO 100009-EF

For the Year Ended 12/31/2009 Witness: Winnie Powers

[Section (5)(c)1.b.]

ne 0.		(A) Beginning of Period	(8) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
				`	Jurisdictional Do	ollars			
Beginning Bala	ince		\$0	\$1,199,278	\$1,116,234	\$1,116,221	\$1,121,741	\$1,147,126	
Additions Site	Selection		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additions Con-	struction (Appendix A Line 9)		\$1,198,669	(\$83,044)	(\$14)	\$5,520	\$25,385	\$13,343	\$1,159,859
Other Adjustm	ents (a) (c)		610		•	-	•	-	\$610
Average Balar	ce Eligible for CPI (Beg bal + [Line 2+3+4]/2)		\$599,639	\$1,157,756	\$1,116,228	\$1,118,981	\$1,134,433	\$1,153,797	
CPI Rate			0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	
Construction F	eriod Interest for Tax (CPI) (b)		\$0	\$Q	\$0	\$0	\$0	\$0	\$0
Ending Balance	е	\$0	\$1,199,278	\$1,116,234	\$1,116,221	\$1,121,741	\$1,147,126	\$1,160,469	\$1,160,469

<sup>(</sup>a) Construction charges relate to the modifications to the St Lucie Unit 2 Turbine Gantry Crane placed into service December 22, 2009.

(b) According to internal Revenue Code and Regulations § 1.263A-12, property subject to capitalization of CPI must have physical construction costs. Physical construction began July 2009.
(c) Other Adjustments are Pension & Welfare Benefit Credit on a jurisdictionalized basis and adjusted for participants ownership for the calculation of CPI.

(participant ownership rates of 6.08951% for OUC	& 8.806% for FM	PA for St. Lucie	Unit 2) (Append	x B Note b)			6 /	Aonth
	January	<b>February</b>	March	<u>April</u>	May	<u>June</u>	I	otal
Pension & Welfare Benefit Credit	(43)						\$	(43)
P&W Engineering Benefit Credit for Tax	674						\$	674
Business Meals	(21)						\$	(21)
	610	·		-			\$	610

Page 1 of 2

#### St. Lucie and Turkey Point Uprate Project

### Construction Costs and Carrying Costs on Construction Cost Balance

True-up Filling: Construction Period Interest for St Lucie Unit 2 Turbine Gantry Crane

Schedule T-3B (True-up)

EXPLANATION:

Provide the calculation of the Actual

COMPANY FLORIDA POWER & LIGHT COMPANY

FLORIDA PUBLIC SERVICE COMMISSION

Construction Period Interest.

For the Year Ended 12/31/2009

Witness: Winnie Powers

{Section (5)(c)1.b.}

DOCKET NO 100009-EI

ne o		(I) Beginning of Period	(J) Actual July	(K) Actual August	(l.) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
					Jurisdictional Do	llars	· · ·		-
Beginning Bala	nce		\$1,160,469	\$1,214,307	\$1,383,837	\$1,807,076	\$1,890,956	\$2,000,863	
Additions Site S	Selection		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additions Cons	truction (Appendix A Line 9)		\$49,048	\$164,141	\$416,554	\$76,223	\$101,737	\$457,338	\$2,424,899
Other Adjustme	ents (a) (c)		-	-		-	(74)	-	\$536
Average Balanc	ce Eligible for CPI (Beg bal + [Line 2+3+4]/2)	- -	\$1,184,993	\$1,296,377	\$1,592,114	\$1,845,188	\$1,941,788	\$2,229,532	
CPI Rate			0.404210%	0.415780%	0.419900%	0.414950%	0.424550%	0.431490%	
Construction Pe	eriod Interest for Tax (CPI) (b)		\$4,790	\$5,390	\$6,685	\$7,657	\$8,244	\$9,620	\$42,386
Ending Balance		\$1,160,469	\$1,214,307	\$1,383,837	\$1,807,076	\$1,890,956	\$2,000,863	\$2,467,821	\$2,467,821

(a) Construction charges relate to the modifications to the St Lucie Unit 2 Turbine Gantry Crane placed into service December 22, 2009.

(b) According to Internal Revenue Code and Regulations § 1.263A-12, property subject to capitalization of CPI must have physical construction costs. Physical construction began July 2009.

(c) Other Adjustments are Pension & Welfare Benefit Credit on a jurisdictionalized basis and adjusted for participants ownership for the calculation of CPI.

(participant ownership rates of 6,08951% for OUC)	& 8.806% for FI	MPA for St. Luc	ie Unit 2)				12 Month
	July	August	September	<u>October</u>	November	<u>December</u>	<u>Total</u>
Pension & Welfare Benefit credit					(34)	\$	(77)
P&W Engineering Benefit Credit for Tax					(40)	\$	634
Business Meals						\$	(21)
				-	(74)	- \$	536

#### St. Lucie and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction Costs True-up Filing: Recoverable O&M Monthly Expenditures

{Section (5)(c)1.b.} [Section (8)(e)]

Schedule T-4 (True-up)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA POWER & LIGHT COMPANY

EXPLANATION:

Provide the CCRC Recoverable O&M actual monthly

expenditures by function

DOCKET NO. 100009-EI

For the Year Ended 12/31/2009

Witness: Winnie Powers and Terry O. Jones

		(A)	(B)	(C)	(0)	(E)	(F)	(G)	(H)	(1)	(J)	(K)	(L)	(M)
Line		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	12 Month
No.	Description	January	February	March	Apni	May	June	July	August	September	October	November	December	Total
1	Legal													a
2	Accounting													ō
3	Corporate Communication													0
4	Corporate Services													0
5	IT & Telecom													0
7	Regulatory Human Resources													0
,	Public Policy													0
0	Community Relations													0
10	Corporate Communications													0
11	Subjotal A&G								<del></del>					0
12	Energy Delivery Florida				•	•	•	•	-	-	-	•	•	
1.3	Nuclear Generation (a)			65	104.595	70,485	137,632	8.474	3,444	2.344	126,900	(31 419)	75,556	498,077
14	Transmission					. 0, 100	.01,002	0.4.4	0,444	2,544	20,500	(3:419)	75,550	490,077
15	Total O&M Cosis		<del></del>	65	104.595	70,485	137,632	8,474	3.444	2 344	126,900	(31,419)	75,556	498,077
16	Participants Credits PSL unit 2 (b)				,			4,	0,	2.074	120,000	(31,413)	7.0,000	430,017
17	OUC	\$0	\$0	(\$1)	(\$3,178)	(\$1,284)	(\$103)	(\$258)	(\$105)	(\$71)	(\$237)	(\$37)	(\$2,060)	(\$7,335)
18	FMPA	0	0	(1)	(4,595)	(1,857)	(149)	(373)	(152)	(103)				
19	Total Participants Credits PSL unit 2	\$0	\$0	(\$2)	(\$7,774)	(\$3,141)	(\$251)	(\$631)	(\$257)	(\$175)				
20	Total FPL O&M Costs	•	•	62	96,821	67,344	137,381	7,843	3,187	2,170	126,320	(31,509)	70,517	480 136
21	Jurisdictional Factor (A&G)													
22	Jurisdictional Factor (Distribution)													
23	Jurisdictional Factor (Nuclear - Production - Base)	0.99648688	0.99648888	0.99646888	0.99648888	0.99648888	0.99648888	0.99648888	0 99648868	0.99648888	0.99648888	0.99648888	0.99648888	0.09648888
24	Jurisdictional Factor (Transmission)											0.000-2000	0.00000	D.50040000
25	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)													
26	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)								•			•	•	•
27	Jurisdictional Recoverable Costs (Nucl Production - Base) (Line 13 X Line 1	_		62	96,481	67,108	136,899	7,816	3,176	2,162	125,876	(31,399)	70,269	478,450
28	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)							.,013	3,113	1,102	120,010	(01.555)	10,209	410,430
29	Total Junsdictional Recoverable O&M Costs			62	96,481	67,108	136,899	7,816	3,176	2,162	125,876	(31,399)	70,269	478,450
30	Projected O&M Costs for the period (Order No. PSC 08-0749-FOF-EI)	•		-	-	-		-					-	
31	Difference True-up to Projections (Line 29 - Line 30)			62	96,481	67,108	136,899	7,816	3,176	2,152	125,876	(31,399)	70,269	478,450
32	Actual/Estimated O&M Costs for the period (Order No. PSC 09-0783-FOF-E)			-	199,363	43,138	43,138	43,138	43,138	43,138	43,138	43,138	43,138	544,467
33	Final True-Up of O&M Costs (Line 29 - Line 32)	<del></del>	<del></del>	62	(102,882)	23,970	93.761	(35,322)	(39,962)	(40 976)	82 738	(74 537)	27 124	(66,017)
33	Final Title-op of Odw Costs (Line 29 - Line 32)	<del></del>	····	62	(102,882)	23,970	93,761	(35,322)	(39,962)	(40,976)	82,738	(74,537)	27,131	

<sup>(</sup>a) Consists of Items that do not meet FPL's capitalization policy such as non-capitalizable computer hardware and software and office furniture & fixtures needed for new project-bound hires, incremental staff and augmented contract staff. Additionally il includes the write-off of inventory rendered obsolete of \$18,88 related to \$1. Lucie Unit 2.

(b) Adjusted for participant ownership rates of 6.08951% for OUC & 8.806% for FMPA for \$1. Lucie Unit 2.

Schedule T-6 (True-up)

### St. Lucie and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction Cost Balance True-up Filling: Monthly Expenditures

[Section (5)(c)1 b.] [Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION COMPANY FLORIDA POWER & LIGHT COMPANY

EXPLANATION

Provide the actual monthly expenditures by major tasks performed within Construction categories

DOCKET NO - 100009-Et

For the Year Ended 12/31/2009

		(A)	(8)	- 6								Witness Winne F	owers and Terry	O Jones		
0		Actual	Actual	(C) Actual	(D)	(E)	(F)	(G)	(H)	(1)	7.0					
Description		YTD 2008	January	February	Actual	Actual	Actual	Actual	Actual	Actual	(J) Actual	(K)	(L)	(M)	(N)	(0)
				Facritory	Merch	April	May	June	July	August	September	Actual	Actual	Actual	12 Month	PT
Construction	<u>n.</u>									1.09031	Subtember	October	Navember	Decamber	Total	Tal
Generation																
	nse Application	29,509,091	4,370,538													
	Neering & Design	5.087.650	790.511	4.696.320	7,946.041	4,647 030	9,944,496	7,233,813	6.697.523	2,982,539						
	Pilling	1.093.519		746.183	1.611.573	357,226	930.140	1,420,223	745,223		5,451,996	6,631,628	2,777,299 58	3.346.153.30	66,925,376	96.43
Proje	ect Management	12.207.968	1,956	11,981	88,492	10,546	67.069	164.752	13,003	1.423,045	998,763	1,090,624	602,469 37	1,352,958 79	12.568.941	17.6
Clea	ring, Grading and Excavation	12.207,968	1.293.049	1 489 881	1,415,877	1 715.023	626,530	1.097.638	1, 180, 233	12,996	16,460	16,008	101,026 54	0.433 35	512,725	
On-S	Rie Construction Facilities						924,550	1,081,035	1,180,233	1.437.991	1.280,353	1.257,912	864 423 11	673.627.99	15,544,538	1,6
Pawe	er Block Engineering, Procurement, etc.													473,02139	13,344,538	27.75
Non-	Power Block Engineering, Procurement, atc	51,837,763	5,854,501	2,700,061	4.650.686	5.143.076	28,155,404	9,068,442								
	Total Generation costs	10,314			90.150	0.740,070	67.525		15,368,788	4,602,040	13,627,461	17,697,235	6.034,764 23	28,319,759 66		
Pecti	icipante Credite PSL unit 2 (b)	99,754,304	12,310,555	9,844,427	15,802,819	12,372 903	40,793,264	66,137	105,597		5, 150		4.307.02		141 222,239	193.00
	OUC (II)					12,012,503	40,793,264	19.071,005	24.110,35?	10,458,512	21,380,203	26,703,406	10 364 290	176.284 95	\$35,251	5
	FMPA	[1,766,973]	(184, 471)	(166,267)	(241,229)	(184,081)						20,103,400	10.364,290	34,077,218	237,309,070	337,06
		[2,555,208]	(266,762)	(240,466)	(348,840)		(748,460)	(238,852)	(222,937)	(163,256)	(202,531)	(257.771)				
Y	Total participants cradits PSt, unit 2 of PPt, Generation Costs	[4,322,181)	(451,233)	(406,753)	(590,069)	(266, 199)	(1,082,342)	(345,403)	(322, 387)	(236.083)	(292,879)	(372,760)	(143 792)	(1,005,112)	(3,758,778)	(5,5)
1016	M FPL Generation Costs	95,432,123	11,659,322	9,437,574	15.212.751	(450,280)	{1,630,602}	(584,255)	(545, 324)	(399,339)	(495,410)	(630,531)	(207,937)	(1,453,485)	(5,435,545)	(7.9)
Junio	dictional Factor (d)	0.99648688	0.99648588	0.99648888	0.99648888	11,922,622	38,962,462	18,486,750	23,565,043	10,059,273	20.884.793		(351,729)	(2,458,597)	{9 194,3231	(13.5
1 OLM	FPL Jurisdictional Generation Costs	95,097,049	11,617,663	9 404 537		0 99648888	0 99648888	0.99646888	0 99648888	0 99648888	0.99648588	25,072,875	10,032,560	31 616 621	228,114,747	323.5
<u> </u>	Elments			9,404,337	15,159,337	11,680,761	35,825,661	18,421,841	23,462,304	10,023,953	20,811,464	0 99648888	0 99648688	0 99648688	0 99648888	0 99
	Non-Cash Accruels (c)	22,283,090	(2,603,016)							10,023,333	20,011,464	25,981,330	9,397,335	31,507,604	227,313,809	322,4
	Other Adjustment (c)	(159, 100)	(15,756)	(6,225,331)	4,879,970	(3,679,737)	25,384,298	(5.845.558)	80.655	(14,726,943)					.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	922,4
	Total Adjustments	22,123,990	(2.618.771)	(8,239,792)	(43,504)	(20,231)	(23, 169)	(30,051)	(12,985)		5,227,216	5,630,608	(17.264,856)	(2.549.253)	(8,693,544)	13.56
Junisc	dictional Factor (d)	0 99648888	0 99548886		4,636,466	(3,699,968)	28,361,129	(5,675,609)	67.873	(13,876)	(21,126)	(15,026)	(19.260)	(15,549)	(264,995)	{42
Falai	Julistictional Adjustments	22.046.310	(2.508.574)	0.99648888	0.99648888	0.99648888	0 99648888	0 99646688	0 99648555	0 99648888	5,206,088	5,815,782	(17,284,116)	(2,564,601)	(8,958,539)	13.18
		22,040,310	(2,000,074)	{6,217,883}	4,819,485	(3,686,977)	28,261,549	(5,854,979)	67,635		0 99648888	0.99648888	0.99648888	0 99648888	0.99648888	0.99
Tolai.	Jurisdictional Generation Costs Nat of Adjustments	73.050 739						12,000,010	67,633	[14,710,985)	5,187,508	5,795,362	(17 223 430)	(2,555 796)	(8.927.084)	
		13,030,739	14,626,557	15,622,420	10,339,852	15,567,738	10,564,111	24,276,620	23,414,668					10,000 100)	(0,921,004)	13, 1
ransmissio	hi.							24,270,020	<u>∠</u> 3,414,668	24,734,939	15,623,656	20 185 968	27 220 764	34 063 400	236 240 894	
	ngineering													34,000,400	236,240,894	309,29
Subst	ation Engineering					9.547	9.298									
une C	Construction					7,800		337	[13,954]	2,182	1,444	323	1,163			
	ation Construction					49,074	7,142	6,096	14,259	19,557	11.997	11 196	1,163	2,664	13,004	
Total	Transmission Costs					3,536	91,658	4,437	1,351	67	160	21.547		22.773	120,462	12
Junad	ichonal Factor (d)	0	Ö	0	0	59.957	3,132	(4,962)	344	1,048	63	968	2.897	56.764	226, 155	22
Total	Julisdictional Transmission Costs	0 99412116	0.99412116	0 99412116	0.99412116	0.99412116	111,430	5.907	2,000	22,853	13.665	34 033	25 231	1 282	6,919	
Adlas	Imants	0	0	0	0.00412110	69 546	0 99412115	0 994 121 16	0.99412116	0 994 12116	0 99412116	3 99412116		83,483	366,559	36
40,00	<del>-</del>					09,546	110,775	5 872	1,989	22.715	13,584	33 833	0 994:21:6	2 99412116	0 99412116	0.994
	Non-Cash Accrusis										13,304	33 833	25.082	62,992	366,392	36
	alnemisujbA verilO															
	Total Adjustments	Ô				(834)	(347)	(72)	(426)	(822)	(539)			8,050	8.050	
1011201	clional Factor (d)	0,99412116	0.99412116	0 99412116		(634)	(347)	(72)	(426)	(822)		(483)	(960)	(2,223)	(6.706)	
	Total Jurisdictional Adjustments	0	0,33412110	0 99412116	0.99412116	0 994 12116	0 99412116	0.99412116	0 99412116	0.99412116	(539)	(463)	(96C)	5,827	1 344	
_			<del></del>			[829]	(345)	(71)	(423)		0 99412116	G 994121±6	0 99412116	0 99412118	0 99412116	0 994
Total	rurisdictional Transmission Costs Net of Adjustments							1: 1)	(423)	(å17)	(536)	[480]	(954)	5,793	1,336	
				0	0	70,376	111,120	5,943	2.412	-					1,336	
Total J	turisdictional Construction Costs Net of Adjustments	73,050,739	14.500 555						2412	23,536	14,120	34 313	26,037	77,199	365.056	
		13,050,739	14,626,557	15,622,420	10,339,852	15,638,113	10,675,231	24,282,763	23,417,080	24.756.475					303,036	36:
											15,637,776	20,220,281				

<sup>(</sup>a) The dosts associated with the expension of the Turkey Point and SI. Luos Nuclear Power Plants (uprise project) were included in Account 183, Preiemmary Survey and investigation Charges for the paned July 2007 through December 2007. On January 7, 2007, Commission determined that is supported to the costs of the upraiser project. As a restul of the seasons of this Creec, in January 2008 these costs are supported to the costs of the upraiser project. As a restul of the seasons of this Creec, in January 2008 these costs are supported to the costs of the upraiser project. As a restul of the seasons of this Creec, in January 2008 these costs were (randstand to Construction Work in Progress Account 107 and carrying charges open accrump.

(ic) Non-cash accrues and other adjustments are not of participants (participant outer than 1845 of 6.085% for CUC & 8.080% for FNPA) for SI. Lucie Unit 2 (i.) Jurissicianum Separation Separ

[Section (5)(c)1.a.] [Section (8)(d)]

Schedu	ile T-6A (True-up)	Construction Costs and Carrying Costs on Construction Cost Balance  True-up Filing: Monthly Expenditures	[Section (8)(d)]
FLORID	A PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a description of the major tasks performed	
COMPA	NY FLORIDA POWER & LIGHT COMPANY	within Construction categories.	For the Year Ended 12/31/2009
DOCKE	T NO 100009		Witness: Terry O. Jones
Line			
No. Ma	ajor Task	Description - Includes, but is not limited to:	
1 00	onstruction period:		
_	eneration:		
3	License Application	NRC requirements associated with the operating license (Nuclear Steam Supply System and Balance of Plant contracts for License Amendment Request)	
4	Engineering & Design	Utility and contracted engineering support staff	
5	Permitting	Site certification and construction permits	
6	Project Management	FPL and Contractor staff required to oversee/manage project	
7	Clearing, Grading and Excavation		
8	On-Site Construction Facilities		
9	Power Block Engineering, Produrement, etc.	Power block equipment and facilities engineering packages, material procurement, and implementation labor. Modifications/activities with significant costs	in 2009 below
а	Turkey Point (PTN) Bechtel - EPC	Engineering, produrement and project management activities locused on modifications authorized via Form 14.	
b	St. Lucie (PSL) Bechtel - EPC	Engineering, procurement and project management activities focused on modifications authorized via Form 14	
c	PTN 3&4 Generator Rotor Replacement	Procure new rotors for Generators - continuing milestone payments. Installation later.	
đ	PSL 1&2 Generator Components	Procure components for upgrade of Generators - continuing milestone payments. Installation later.	
e	PSL 1&2 Low Pressure Turbine Internals	Procure new rotors and related equipment for PSL Low Pressure Turbines - continuing milestone payments. Installation later.	
t	PTN 3&4 Condenser Component Procurement	Procure major PTN Condenser components - continuing milestone payments Installation later.	
g	PSL & PTN Feedwater Heater Procurement	Procure PSL & PTN Feedwater Heaters - continuing milestone payments. Installation later	
ħ	PSL 1&2 Moisture Separator Reheater (MSR) Procureme	• • • •	
1	PSL & PTN Feedwater Flow Measurement (LEFM) Procui		
1	PSL 1&2 Turbine Plant Cooling Water Heat Exchanger Pr		
k	PSL 1&2 Feedwater Pump Procurement	Procure replacement (higher flow) pumps. Installation later.	
1	PSL 1&2 Turbine Gantry Crane Upgrades	PSL2 upgrade completed December 2009   Continuing milestone payments for PSL1 upgrade.	
ur	PSL2 Control Element Drive Mechanism Control System	Phase 1 of project to upgrade control system. Phase 2 scheduled for 2011.	
n n	PTN 3&4 Normal Containment Cooler Procurement	Procurement of components for Normal Containment Cooler replacement. Installization later.	
10	Non-Power Block Engineering, Procurement, etc.	Non-power block equipment and facilities engineering packages, material procurement, and implementation labor (training simulator upgrades)	
11	Annual and a		
	ransmission:	Control of the contro	
13	Line Engineering	Engineering, permitting, procurement, planning & scheduling of work.	
14	Substation Engineering	Engineering, permitting, procurement, planning and scheduling of work.	
15	Line Construction	Installation including construction oversight	
16	Substation Construction	Installation including construction oversight	

17 18

# St. Lucle and Turkey Point Uprate Project Construction Costs and Carrying Costs on Construction True-up Filing: Variance Explanations

Schedule T-68 (True-up)

DOCKET NO

(Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA POWER & LIGHT COMPANY

EXPLANATION:

Provide annual variance explanations comparing the actual expenditures to the most recent projections filed with the Commission.

For the Year Ended 12/31/2009

Witness, Terry O Jones

		/41			Witness, Terry O. Jones
Line		(A) Total	(B)	(C)	
No			Total	Total	(D)
	······································	Actual	Actual/Estimated	Variance	
,	Carata			v an arice	Explanation
,	Canstruction:				
	Generation				
3	License Application	66,925,376	** ***		
4	Engineering & Design		58,997,472	7,927,903.93	NEEDS C. A. C. C.
5	Permitting	12,568,941	10,665,567	1,903,374.10	NSSS/Fuel Engineering greater than plan - delay in completion and growth in licensing scope.  Ongoing conceptual engineering and LAB growth and growth in licensing scope.
6	Project Management	512,725	102,430	410,295,79	
7	Clearing, Grading and Excavation	15,544,538	20,247,828	(4,703,290.20)	
R	On-Site Construction Facilities			(4,100,280.20)	FPL has elected to place greater retiance upon EPC contractor in lieu of owner organization.
a	Orrang Construction Facilities			•	Sport and Sport and the lead of owner organization.
3	Power Block Engineering,		167,795,201	105 500 000	
	Procurement, etc.	141,222,239	107,730,201	(25,572,962.11)	Bechtel utilization less than plan by \$10.4 million, Long Lead Materials \$9.1 million less than
10	Non-Power Block Engineering, Procurement, etc.	535,251	50.455		plan. \$4.2 million station indirect outage costs not utilized by PSL.
31	Total Generation costs	237,309,070	90,150	445,100.55	
12		201,500,010	257,898,648	(20,589,577 94)	Incurred Simulator modification costs greater than planned.
13					
14					
15					
16					
17	Transmission:				
18	Line Engineering				
19	Substation Engineering	13,004	33,600	(20,596.19)	
20	Soustation Engineering	120,482	628,099	(507,617.11)	Initial substation engineering cost estimates were based on aggressive scheduling of construction activities in 2010.  During 2009 we revised the start of several substation construction activities in 2010.
21	Line Construction	228,155	366,425		During 2009 we revised the start of several cubit allowed an aggressive scheduling of construction activities in 2010.
	Substation Construction	6,919		(138,270.50)	for 2011 and 2012. This resulted in substation accounts constitution activities initially scheduled for 2010 to outages schedule
22	Clearing		•	6,918.92	for 2011 and 2012. This resulted in substation engineering costs moved from 2009 to 2010. Part of the transmission line engineering costs moved from 2009 to 2010. Part of the transmission line engineering and construction scheduled during St Lucie #2 Spring, 2009 outage was deferred to St Lucie #1 Spring, 2010 out.
23	Other		•	•	and constitution scheduled during St Lucie #2 Spring, 2009 outage was deferred to St Lucie #1 Spring, 2016 out
24	Total Transmission Costs	\$368,559			2. 42-14 A. Capinia, 2010 Out.
25		4300,333	\$1,028,124	(\$659,565)	
26			<del>-</del> -		
27					
28					
29					
30					
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38					

### St. Lucie and Turkey Point Uprate Project Appendix I-A

Monthly Expenditures For the St. Lucie Unit 2 (PS2) Turbine Gantry Crane

Dockat No. 100009 Monthly Expenditures - PS2 Turpine Gentry Crane Appendix 1 - A Withaus: Winnie Powers & Terry O. Jones

:ne	(A) Actual	(B) Actual	(C) Actual	(D) Actual	(E) Actual	(F) Actual	(G) Actual	(H) Actual	(l) Actual	(J) Actual	(K) Actual	(L)	(O) 12 Month
o Description	January	February	March	April	May	June	July	August	September	October	November	Actual December	Total
Construction:													
Total Generation costs	1,398,396	(84,321)	<del></del>	6 498	22,966	19.217	60 917	193 549	491,588	89,880	119,964	538,167	2,856,62
Participants Credits PSL unit 2 (a)									101,-40		110,004	300,101	2,000,02.
ouc	(79,925)	402	(6)	(392)	1,026	(2,382)	(4,782)	(11,786)	(30,075)	(5 473)	(7,305)	(32,385)	(173,084
FMPA	(115,579)	582	(8)	(567)	1,483	(3,445)	(6,915)	(17,044)	(43,492)	(7,915)	(10,564)	(46,832)	(250,29
Total participants credits PSL unit 2	(195,504)	984	(14)	(959)	2,509	(5,827)	(11,696)	(28,830)	(73,567)	(13,388)	(17.869)	(79,218)	(423,37
Total FPL Generation Costs	1,202,892	(83,337)	(14)	5,539	25,474	13,390	49,221	184,719	418,021	76,492	102.095	458,949	2,433,44
Jurisdictional Factor	0.99848888	0 99648888	0.99648888	0.99648888	0 99648888	0 99648888	0 99548888	0.99648888	0.99648888	0 99648888	0 99648888	0.99848888	0.9964888
Total FPL Jurisdictional Generation Costs	1,198,669	(83,044)	(14)	5,520	25,385	13,343	49,048	164 141	416,554	76,223	101 737	457,338	2,424,89
U <u>Adjustments</u>											······································		
Non-Cash Accruals (c)	•				•		8,282	(6,262)					
2 Other Adjustment (b) (c)	(43)										34		(5
3 Total Adjustments	(43)			-			8,262	(8,262)	·		34		
4 Junsdictional Factor	0 99648888	0.99648888	0.99648888	0 99648688	0 9964888B	0.99648888	0.99646888	0.99648888	0 99648888	0 99648888	0.99648888	0 99848888	0.9964868
5 Total Jurisdictional Adjustments	(43)		-				6,233	(8,233)			34		(1
6							-,	,-,,					1
7 Total Jurisdictional Construction Costs Net of Adjustments	1,198,711	(83,044)	(14)	5,520	25,385	13,343	40,815	172.374	418 554	78 223	101,703	457,338	2,424,908

(a) Panicipani ownership rates of 6.08951% for OUC & 8.806% for FMPA (b) Other adjustments represent Pension & Welfare Benefit credit.
P&W: Jurisdictional Computation:

	January	February	March	<u>April</u>	May	June	July	August	September .	1edotoQ	November	Decem <u>b</u> er	Total
Other Adjustments	(43)	Ó	0	0	0	Ò	0	0			34	0 \$	/01
Jurisdictional Factor	0.99648888	0.99648888	0.99648868	0.99648888	0.99648888	0.99648888	0.99648888	0.99548888	0.99648888	0.09648888	0.99648888	0 99648888	0.99648888
	\$ (43)	<u> </u>	<u> </u>						\$		\$ 34 <b>\$</b>	\$	(9)

(c) Non-cash accruals and other adjustments are net of participants for PSL2 (participant ownership rates of 6.08951% for OUC & 8.806% for FMPA).