



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: June 11, 2010
TO: Devlin Higgins, Regulatory Analyst III, Division of Economic Regulation
FROM: Clarence Prestwood, Chief of Auditing, Office of Auditing and Performance Analysis *CP*
RE: Docket No.: 100002-EG
Company Name: Florida Power & Light Company
Company Code: EI802
Audit Purpose: Energy Conservation Cost Recovery
Audit Control No: 09-350-4-1

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.

CP/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)

State of Florida



FLORIDA PUBLIC SERVICE COMMISSION

**OFFICE OF AUDITING AND
PERFORMANCE ANALYSIS**

Miami District Office

FLORIDA POWER & LIGHT COMPANY

ENERGY CONSERVATION COST RECOVERY CLAUSE

YEAR ENDED DECEMBER 31, 2009

**DOCKET NO. 100002-EG
AUDIT CONTROL NO. 09-350-4-1**



**Bety Maitre,
Audit Manager**



**Kathy Welch,
Public Utilities Supervisor**

DOCUMENT NUMBER-0000

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FPSC-COMMISSION CLERK

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

June 2, 2010

TO: FLORIDA PUBLIC SERVICE COMMISSION

We have performed the procedures described 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 Company in support of its 2009 Energy Conservation Cost Recovery Clause relief for its cost expenditures in Docket No. 100002-EG.

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

OBJECTIVES AND PROCEDURES

Objective: The objective was to reconcile the company's general ledger with its final true-up filing.

Procedures: We prepared a trial balance using the general ledger and a list of conservation account numbers provided by the company. In addition, we scanned the general ledger for any additional accounts not listed on the conservation account list provided by the company. The filing was then reconciled to the trial balance prepared by staff. No material misstatements were found.

Objective: The objective was to ensure that only recoverable costs are included for recovery through the Energy Conservation Cost Recovery Clause and are consistent with Rule 25-17.015, Florida Administrative Code.

Procedures: We reconciled the expenses from the filing to the general ledger. Using audit analyzer, we sorted all the expenses by source code and extracted a statistical sample of conservation expenses that audits the most dollars with minimal records. Staff tested 100 items between \$500 and \$100,000 and all items greater than \$100,000 or less than negative \$100,000. We then verified that the expenses were conservation related and properly supported. For sample items related to customer incentives, we traced the items to the conservation program standards. For sample items related to advertising ads, we reviewed the content of the ads to determine if they followed the criteria set forth in Rule 25-17.015, Florida Administrative Code. No material misstatements were found.

We sampled the Load Management program's capital additions and retirements to verify they were conservation related and properly supported and recorded. Also, we reconciled the depreciation expenses from the filing to the general ledger and traced the equity and debt factors to the FPSC Orders. Finally, we recalculated the capital investment schedules. No material misstatements were found.

We reviewed the data in the Demand Side Management Annual report. The actual number of participants, the KWH reduction, and the installation cost were traced to source documents. Staff compared the FPL conservation goals in Order No. PSC 04-0763-FOF-EG to the actual savings reported in the DSM Annual report. No material misstatements were found.

We reconciled the proforma schedules to the general ledger and filing. Monthly incentives and adjustments were traced to supporting documents. The payroll was traced to the Summary of Payroll for Systems schedule provided by the company. The payroll adjustment amount was recalculated for accuracy. No material misstatements were found.

Objective: The objective was to ensure that revenue items recoverable through the Energy Conservation Cost Recovery Clause are included for recovery in the filing.

Procedures: We compiled the monthly revenues using the company's Revenue and Rate Reports and applied the revenue tax factor to remove the Regulatory Assessment Fees. The recomputed net revenues were then reconciliation to the filing. Using the base revenue and the kilowatt per hour, we recalculated the billing factors for the months of June and September and agreed the factors to the FPSC Orders. We selected the Residential Load Management program bills to verify the proper conservation rate factors were used. No material misstatements were found.

Objective: The objective was to verify that the true-up and interest provision reflected in the filing was correctly calculated.

Procedures: We verified the deferred true-up to the Commission Orders and beginning true-up to the prior filings. We traced the interest rates to the Wall Street Journal-30 day Commercial Paper Rate. We traced the prior true-up to the prior audit. No material misstatements were found.

COMPANY EXHIBITS

Energy Conservation Cost Recovery
Final True-Up for the Period
January through December 2009

1. Actual End of Period True-Up (CT-3, Page 2 of 3, Lines 7 and 8)			
2. Principal	\$	(9,435,061)	
3. Interest	\$	<u>(81,248)</u>	\$ <u>(9,516,309)</u>
4. Less Estimated/Actual True-Up approved per Order No. PSC-09-0794-FOF-EG issued December 1, 2009			
5. Principal	\$	(3,869,132)	
6. Interest	\$	<u>(88,280)</u>	\$ <u>(3,957,411)</u>
7. Final Net True-Up to be carried over to the January 2011 through December 2011 period			\$ <u><u>(5,558,898)</u></u>

() Reflects Underrecovery

Totals may not add due to rounding.

**Energy Conservation Cost Recovery
 Analysis of Program Costs
 Actual VS Estimate for the Period
 January through December 2009**

	Actual	Estimate (a)	Difference
1. Depreciation & Return	\$ 8,129,331	\$ 8,166,940	\$ (37,610)
2. Payroll & Benefits	23,782,185	24,283,712	(501,527)
3. Materials & Supplies	(2,052,797)	(1,551,413)	(501,384)
4. Outside Services	7,994,279	8,753,702	(759,423)
5. Advertising	5,707,769	4,817,624	890,145
6. Incentives	140,342,854	130,811,248	9,531,606
7. Vehicles	256,877	141,268	115,609
8. Other	<u>3,258,640</u>	<u>3,503,979</u>	<u>(245,339)</u>
9. SUB-TOTAL	\$ 187,419,136	178,927,058	\$ 8,492,078
10. Program Revenues	<u>-</u>	<u>-</u>	<u>-</u>
11. TOTAL PROGRAM COSTS	187,419,136	\$ 178,927,058	\$ 8,492,078
12. Amounts included in Base Rates	<u>(1,367,755)</u>	<u>(1,367,714)</u>	<u>(41)</u>
13. SUBTOTAL	\$ 186,051,381	\$ 177,559,344	\$ 8,492,036
14. ECCR Revenues (Net of Revenue Taxes)	<u>198,099,307</u>	<u>195,173,199</u>	<u>2,926,108</u>
15. True-Up Before Interest (Line 14 - Line 13)	\$ 12,047,926	\$ 17,613,855	\$ (5,565,928)
16. Interest Provision	(81,248)	(88,280)	7,032
17. Prior Period True-Up (Jan-Dec 2008)	(21,482,987)	(21,482,987)	-
18. Deferred True-Up from Prior Period (Jan-Dec 2008)	<u>(4,994,170)</u>	<u>(4,994,170)</u>	<u>-</u>
19. End of Period True-Up	<u>\$ (14,510,480)</u>	<u>\$ (8,951,582)</u>	<u>\$ (5,558,898)</u>

(a) From Estimated/Actual. Approved 11/09 Hearing.
 For Lines 15 - 19 () reflects an underrecovery.

Totals may not add due to rounding

Florida Power & Light Company
CONSERVATION PROGRAM COSTS
 January through December 2009

Program Title	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Sub-Total	Program Revenues	Total for Period
1. Residential Conservation Services		\$ 4,282,044	\$ 10,973	\$ 1,371,832	\$ 5,415,529		\$ 58,559	\$ 713,835	\$ 11,852,772		\$ 11,852,772
2. Residential Building Envelope		310,461	309	100,357	7,745	5,729,243	1,399	25,922	6,175,438		6,175,438
3. Residential Load Management ("On Call")	6,904,284	1,790,165	(2,099,907)	3,010,791	84,860	46,419,882	24,435	550,412	56,684,702		56,684,702
4. Duct System Testing & Repair		745,896	2,513	14,743		684,317	5,241	(160,826)	1,491,884		1,491,884
5. Residential Air Conditioning		1,012,345	356	167,732	48,110	37,165,410	21,420	109,970	38,525,343		38,525,343
6. BuildSmart Program		455,902	4,594	105,897	2,385	25,372	2,741	68,468	685,357		685,357
7. Low-Income Weatherization		17,503				35,355	17	9,351	62,226		62,226
8. Res. Thermostat Load Control Pilot Proj.		15,540		113,751			64	814	130,169		130,169
9. Business On Call	401,835	189,282	2,028	39,516		2,858,951	1,175	20,380	3,513,167		3,513,167
10. Cogeneration & Small Power Production		491,010	20	(372)			120	(36,576)	454,202		454,202
11. Business Efficient Lighting		71,400		21,019		253,499	464	12,133	358,515		358,515
12. Commercial/Industrial Load Control		399,326	93	3,052		29,540,646	1,183	73,264	30,017,564		30,017,564
13. Commercial Demand Reduction		177,268	84	54		8,147,707	674	72,927	8,398,714		8,398,714
14. Business Energy Evaluation		2,234,850	3,705	718,421	128,119		11,095	277,587	3,373,777		3,373,777
15. Business Heating, Ventilating & A/C		618,793	141	52,175	7,230	4,478,266	15,513	74,038	5,248,154		5,248,154
16. Business Custom Incentive		42,461		4,500		533,849	192	367	581,369		581,369
17. Business Building Envelope		268,246	140	23,717	14,039	4,216,570	1,524	14,626	4,538,662		4,538,662
18. Business Water Heating		12,345		100		25,300	104	2,414	40,263		40,263
19. Business Refrigeration		20,467		537		28,490	103	2,874	52,271		52,271
20. Conservation Research & Development		35,801	15,715	455,069				1,139	507,724		507,724
21. Common Expenses	823,231	10,591,080	6,439	1,791,388	(48)	(3)	110,854	1,425,725	14,748,666		14,748,666
22. Total All Programs	\$ 8,129,331	\$ 23,782,185	\$ (2,052,797)	\$ 7,994,279	\$ 5,707,769	\$ 140,342,854	\$ 256,877	\$ 3,258,640	\$ 187,419,136		\$ 187,419,136
23. LESS: Included in Base Rates		(1,367,755)							(1,367,755)		(1,367,755)
24. Recoverable Conservation Expenses	\$ 8,129,331	\$ 22,414,430	\$ (2,052,797)	\$ 7,994,279	\$ 5,707,769	\$ 140,342,854	\$ 256,877	\$ 3,258,640	\$ 186,051,381		\$ 186,051,381

Totals may not add to due rounding

Florida Power & Light Company
CONSERVATION PROGRAM VARIANCE
 January through December 2009

Program Title	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Sub-Total	Program Revenues	Total for Period
1. Residential Conservation Services		\$ 163,849	\$ (11,762)	\$ (228,083)	\$ 850,974		\$ 27,828	\$ 72,415	\$ 875,031		\$ 875,031
2. Residential Building Envelope		(12,037)	(201)	(36,540)		7,787	421	(6,841)	(47,411)		(47,411)
3. Residential Load Management ("On Call")	50,449	(102,877)	(323,026)	422,174	3,611	1,461,259	(16,795)	(28,819)	1,465,975		1,465,975
4. Duct System Testing & Repair		(41,167)	(13,109)	(30,659)		(81,800)	2,350	(36,297)	(200,682)		(200,682)
5. Residential Air Conditioning		50,829	(8,179)	(199,823)	34,526	9,142,801	10,368	9,193	9,039,715		9,039,715
6. BuildSmart Program		(17,743)	(5,491)	(79,433)	1,385	(3,583)	916	(4,910)	(108,859)		(108,859)
7. Low-Income Weatherization		998				(53,722)	15	375	(52,334)		(52,334)
8. Res. Thermostat Load Control Pilot Proj.		(4,690)		4,270			7		(413)		(413)
9. Business On Call	2,936	(1,876)	(499)	(175,952)		(32,398)	395	(5,264)	(212,657)		(212,657)
10. Cogeneration & Small Power Production		15,338	20	(4,500)			23	1,453	12,334		12,334
11. Business Efficient Lighting		1,309		(8,541)		19,190	172	24	12,154		12,154
12. Commercial/Industrial Load Control		32,668	(638)	(18,946)		734,958	600	(18,286)	732,376		732,376
13. Commercial Demand Reduction		6,971	(789)	(19,446)		105,755	368	(12,946)	79,913		79,913
14. Business Energy Evaluation		116,982	(78,583)	(212,277)	(811)		5,342	(80,607)	(229,954)		(229,954)
15. Business Heating, Ventilating & A/C		7,106	(6,480)	(32,350)	300	(1,554,324)	7,744	(7,969)	(1,585,973)		(1,585,973)
16. Business Custom Incentive		1,177		(7,400)		(109,773)	24	(112)	(116,084)		(116,084)
17. Business Building Envelope		4,146	132	(31,458)		(81,217)	531	(5,029)	(112,895)		(112,895)
18. Business Water Heating		2,015		(12,500)		(20,550)	60	633	(30,342)		(30,342)
19. Business Refrigeration		1,828		(13,499)		(2,776)	43	(55)	(14,459)		(14,459)
20. Conservation Research & Development		449	(24,285)	(72,257)				713	(95,380)		(95,380)
21. Common Expenses	(90,995)	(728,422)	(28,504)	(2,403)	180		75,197	(145,010)	(917,977)		(917,977)
22. Total All Programs - Variance	(37,610)	(501,527)	(501,384)	(759,423)	890,145	9,531,606	115,609	(245,339)	8,492,078		\$ 8,492,078
23. LESS: Included in Base Rates		(41)							(41)		\$ (41)
24. Recoverable Conservation Variance	\$ (37,610)	\$ (501,568)	\$ (501,384)	\$ (759,423)	\$ 890,145	\$ 9,531,606	\$ 115,609	\$ (245,339)	\$ 8,492,036		\$ 8,492,036
Totals may not add to due rounding											

Conservation Account Numbers
For the Period: January through December 2009

Program No.	ACCOUNT NO.	PROGRAM TITLE
1	908.620	RESIDENTIAL CONSERVATION SERVICE PROGRAM
1	909.101	RESIDENTIAL CONSERVATION SERVICE PROGRAM
2	908.600	RESIDENTIAL BUILDING ENVELOPE PROGRAM
2	909.600	RESIDENTIAL BUILDING ENVELOPE PROGRAM
3	440.300	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	587.200	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	592.800	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	598.870	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	908.500	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	908.540	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	909.106	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
4	908.710	DUCT SYSTEM TESTING & REPAIR PROGRAM
4	909.710	DUCT SYSTEM TESTING & REPAIR PROGRAM
5	908.410	RESIDENTIAL AIR CONDITIONING PROGRAM
5	909.410	RESIDENTIAL AIR CONDITIONING PROGRAM
6	908.770	BUILDSMART PROGRAM
6	909.770	BUILDSMART PROGRAM
7	908.800	LOW INCOME WEATHERIZATION PROGRAM
8	908.510	RES. THERMOSTAT LOAD CONTROL PILOT PROJ.
9	442.190	BUSINESS ON CALL
9	442.290	BUSINESS ON CALL
9	587.250	BUSINESS ON CALL
9	598.140	BUSINESS ON CALL
9	908.580	BUSINESS ON CALL
9	909.580	BUSINESS ON CALL
10	908.350	COGENERATION & SMALL POWER PRODUCTION
11	908.170	BUSINESS EFFICIENT LIGHTING PROGRAM
11	909.170	BUSINESS EFFICIENT LIGHTING PROGRAM
12	442.300	COMMERCIAL/INDUSTRIAL LOAD CONTROL
12	908.550	COMMERCIAL/INDUSTRIAL LOAD CONTROL

**Conservation Account Numbers
 For the Period: January through December 2009**

Program No.	ACCOUNT NO.	PROGRAM TITLE
13	442.340	C/I DEMAND REDUCTION
13	908.490	C/I DEMAND REDUCTION
14	908.400	BUSINESS ENERGY EVALUATION PROGRAM
14	908.430	BUSINESS ENERGY EVALUATION PROGRAM
14	909.450	BUSINESS ENERGY EVALUATION PROGRAM
15	908.150	BUSINESS HEATING, VENTILATING & A/C PROGRAM
15	908.420	BUSINESS HEATING, VENTILATING & A/C PROGRAM
15	908.440	BUSINESS HEATING, VENTILATING & A/C PROGRAM
15	908.590	BUSINESS HEATING, VENTILATING & A/C PROGRAM
15	908.860	BUSINESS HEATING, VENTILATING & A/C PROGRAM
15	909.150	BUSINESS HEATING, VENTILATING & A/C PROGRAM
15	909.420	BUSINESS HEATING, VENTILATING & A/C PROGRAM
15	909.440	BUSINESS HEATING, VENTILATING & A/C PROGRAM
15	909.590	BUSINESS HEATING, VENTILATING & A/C PROGRAM
16	908.190	BUSINESS CUSTOM INCENTIVE PROGRAM
17	908.300	BUSINESS BUILDING ENVELOPE PROGRAM
17	909.310	BUSINESS BUILDING ENVELOPE PROGRAM
18	908.870	BUSINESS WATER HEATING PROGRAM
18	909.620	BUSINESS WATER HEATING PROGRAM
19	908.880	BUSINESS REFRIGERATION PROGRAM
19	909.610	BUSINESS REFRIGERATION PROGRAM
20	910.499	CONSERVATION RESEARCH & DEVELOPMENT PROGRAM
21	907.100	COMMON EXPENSES
21	908.130	COMMON EXPENSES
21	908.450	COMMON EXPENSES
21	908.460	COMMON EXPENSES
21	910.100	COMMON EXPENSES
21	910.105	COMMON EXPENSES
**	926.211	PENSION & WELFARE BENEFITS
	926.230	PENSION & WELFARE Clause Adjustment

*** Pension & Welfare benefits are allocated to the specific program by means of work order allocation; Each work order translates to Ferc Account 926.211.*

Florida Power & Light Company
CONSERVATION PROGRAM COSTS
 January through December 2009

Program Title	Actuals January	Actuals February	Actuals March	Actuals April	Actuals May	Actuals June	Actuals July	Actuals August	Actuals September	Actuals October	Actuals November	Actuals December	Total For Period
1. Residential Conservation Services	\$ 462,492	\$ 434,296	\$ 636,708	\$ 772,382	\$ 1,022,155	\$ 1,482,600	\$ 1,462,203	\$ 1,550,776	\$ 1,443,202	\$ 1,464,202	\$ 633,640	\$ 497,914	\$ 11,852,772
2. Residential Building Envelope	749,500	374,211	674,710	500,703	430,940	435,374	544,844	728,356	451,517	599,964	440,955	244,362	6,175,438
3. Residential Load Management ("On Call")	3,200,960	3,825,002	3,502,862	5,843,525	5,748,447	6,214,174	4,487,488	5,485,153	5,329,963	5,750,177	3,754,179	3,743,070	56,684,702
4. Duct System Testing & Repair	101,848	101,273	145,731	205,777	185,903	230,657	131,199	98,387	77,105	80,079	67,260	68,684	1,491,884
5. Residential Air Conditioning	2,071,506	1,720,776	1,675,500	1,893,095	2,584,852	3,151,149	3,920,606	3,743,416	4,017,863	5,358,244	5,670,722	2,727,613	38,525,343
6. BuildSmart Program	55,605	52,323	58,999	73,310	54,521	73,447	60,446	51,121	44,310	37,163	44,501	59,609	665,357
7. Low-Income Weatherization	4,678	4,040	439	4,209	3,871	5,574	1,546	10,980	4,123	11,596	8,583	2,806	62,226
8. Res. Thermostat Load Control Pilot Proj.	2,634	20,443	2,606	20,337	21,791	13,835	15,640	20,957	10,926	-	1,000	-	130,169
9. Business On Call	56,644	63,152	94,372	452,740	479,809	489,131	484,247	492,389	478,069	472,133	90,645	(140,364)	3,513,167
10. Cogeneration & Small Power Production	36,185	27,321	37,439	34,344	34,673	36,396	41,397	45,091	43,183	37,771	39,233	40,988	464,202
11. Business Efficient Lighting	27,461	48,875	78,357	34,357	9,740	25,032	24,256	16,527	6,742	28,919	38,383	21,867	358,515
12. Commercial/Industrial Load Control	1,962,143	1,952,591	1,882,212	2,197,187	2,376,698	3,954,996	2,179,727	2,502,426	2,629,670	2,666,320	2,502,489	3,211,106	30,017,664
13. Commercial Demand Reduction	493,769	513,425	542,559	645,700	725,812	736,218	797,757	813,603	831,080	827,753	771,101	700,186	8,398,714
14. Business Energy Evaluation	271,066	258,595	340,548	278,247	261,689	301,296	268,789	253,401	266,393	267,759	282,153	325,641	3,373,777
15. Business Heating, Ventilating & A/C	506,264	515,334	682,415	773,172	124,836	611,225	543,968	152,490	100,257	324,007	825,767	86,420	5,246,154
16. Business Custom Incentive	3,643	3,224	123,105	3,773	3,579	3,468	3,462	229,175	3,644	8,063	50,278	145,935	581,369
17. Business Building Envelope	589,577	733,348	423,741	325,674	289,056	413,680	396,645	239,266	432,401	298,347	216,135	200,990	4,538,662
18. Business Water Heating	3,709	5,364	7,767	4,986	4,594	2,045	1,850	3,023	2,226	1,143	3,016	751	40,263
19. Business Refrigeration	2,668	4,391	26,927	5,600	2,585	1,570	1,335	948	1,200	1,171	2,383	1,493	52,271
20. Conservation Research & Development	3,262	3,704	374,065	87,007	14,668	(247,259)	6,546	24,224	62,567	83,839	12,554	80,430	507,724
21. Common Expenses	1,039,445	1,011,627	1,806,307	1,354,646	1,172,666	1,647,843	1,212,768	1,299,633	1,250,144	1,021,521	1,153,155	778,912	14,748,666
22. Total All Programs	\$ 11,644,978	\$ 11,473,306	\$ 13,117,368	\$ 15,510,770	\$ 15,512,686	\$ 19,562,451	\$ 16,566,539	\$ 17,761,305	\$ 17,486,685	\$ 19,340,274	\$ 16,606,330	\$ 12,796,543	\$ 187,419,136
23. LESS: Included in Base Rates	(56,906)	(98,169)	(100,001)	(200,716)	(106,174)	(108,815)	(107,463)	(108,351)	(161,516)	(111,048)	(104,103)	(104,492)	(1,367,755)
24. Recoverable Conservation Expenses	\$ 11,588,072	\$ 11,375,137	\$ 13,017,368	\$ 15,310,054	\$ 15,406,512	\$ 19,473,637	\$ 16,479,076	\$ 17,652,954	\$ 17,325,070	\$ 19,229,226	\$ 16,502,227	\$ 12,692,051	\$ 186,051,381

Totals may not add to due rounding

FLORIDA POWER & LIGHT COMPANY
 CONSERVATION TRUE-UP & INTEREST CALCULATION
 JANUARY THROUGH DECEMBER 2009

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
B. CONSERVATION PROGRAM REVENUES													
1. RESIDENTIAL LOAD CONTROL CREDIT													
2. CONSERVATION CLAUSE REVENUES (NET OF REVENUE TAXES)	\$ 14,739,849	\$ 14,278,195	\$ 13,224,542	\$ 14,318,040	\$ 15,875,982	\$ 17,617,248	\$ 18,402,232	\$ 19,167,899	\$ 19,375,370	\$ 18,362,198	\$ 16,272,160	\$ 15,465,612	\$ 198,099,307
3. TOTAL REVENUES	\$ 14,739,849	\$ 14,278,195	\$ 13,224,542	\$ 14,318,040	\$ 15,875,982	\$ 17,617,248	\$ 19,402,232	\$ 19,167,899	\$ 19,375,370	\$ 18,362,198	\$ 16,272,160	\$ 15,465,612	\$ 198,099,307
4. ADJUSTMENT NOT APPLICABLE TO PERIOD - PRIOR TRUE-UP	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(1,790,249)	(21,482,987)
5. CONSERVATION REVENUES APPLICABLE TO PERIOD (Line B3 + B4)	\$ 12,949,600	\$ 12,487,947	\$ 11,434,293	\$ 12,527,791	\$ 14,085,713	\$ 15,826,999	\$ 17,611,983	\$ 17,377,650	\$ 17,585,121	\$ 16,571,949	\$ 14,481,911	\$ 13,675,363	\$ 176,616,320
6. CONSERVATION EXPENSES (From CT-3, Page 1, Line 33)	11,588,072	11,375,137	13,017,368	15,310,054	15,406,512	19,473,637	16,478,078	17,652,954	17,325,070	19,229,225	16,502,227	12,692,051	186,051,381
7. TRUE-UP THIS PERIOD (Line B5 - Line B6)	\$ 1,361,528	\$ 1,112,809	\$ (1,683,075)	\$ (2,782,263)	\$ (1,320,798)	\$ (3,646,637)	\$ 1,132,908	\$ (275,304)	\$ 260,051	\$ (2,657,276)	\$ (2,020,315)	\$ 983,342	\$ (9,435,061)
8. INTEREST PROVISION FOR THE MONTH (From CT-3, Page 3, Line C10)	(13,800)	(14,045)	(11,022)	(8,213)	(8,131)	(5,882)	(5,739)	(4,350)	(3,388)	(3,045)	(3,004)	(2,650)	(81,248)
9. TRUE-UP & INTEREST PROVISION BEGINNING OF MONTH	(21,482,987)	(18,345,011)	(15,455,998)	(15,259,846)	(16,260,073)	(15,796,764)	(17,659,024)	(14,741,606)	(13,231,010)	(11,184,078)	(12,054,150)	(12,287,220)	(21,482,987)
a. DEFERRED TRUE-UP BEGINNING OF PERIOD	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)	(4,994,170)
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	1,790,249	1,790,249	1,790,249	1,790,249	1,790,249	1,790,249	1,790,249	1,790,249	1,790,249	1,790,249	1,790,249	1,790,249	21,482,987
11. END OF PERIOD TRUE-UP - OVER/(UNDER) RECOVERY (Line B7+B8+B9+B9a+B10)	\$ (23,336,181)	\$ (20,450,168)	\$ (20,254,016)	\$ (21,254,243)	\$ (20,790,924)	\$ (22,653,194)	\$ (19,735,776)	\$ (18,225,180)	\$ (16,178,248)	\$ (17,048,320)	\$ (17,281,390)	\$ (14,510,479)	\$ (14,510,480)

NOTES: () Reflects Underrecovery
 Totals may not add to due rounding

FLORIDA POWER & LIGHT COMPANY
CONSERVATION TRUE-UP & INTEREST CALCULATION
JANUARY THROUGH DECEMBER 2009

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
C. INTEREST PROVISION													
1. BEGINNING TRUE-UP AMOUNT (Line B9+B9a)	(26,477,159)	(23,339,181)	(20,450,168)	(20,254,018)	(21,254,243)	(20,790,924)	(22,853,194)	(19,735,775)	(18,225,180)	(16,178,248)	(17,048,320)	(17,281,390)	(\$243,687,799)
2. ENDING TRUE-UP AMOUNT BEFORE INTEREST (Line B7+B9+B9a+B10)	(23,325,380)	(20,436,129)	(20,242,994)	(21,248,030)	(20,784,792)	(22,647,312)	(19,730,037)	(18,220,831)	(16,174,881)	(17,045,275)	(17,278,387)	(14,507,829)	(\$231,639,871)
3. TOTAL OF BEGINNING & ENDING TRUE-UP (Line C1+C2)	(\$49,802,540)	(\$43,775,303)	(\$40,693,162)	(\$41,500,045)	(\$42,039,035)	(\$43,438,236)	(\$42,383,231)	(\$37,956,606)	(\$34,400,061)	(\$33,223,524)	(\$34,326,707)	(\$31,788,219)	(\$475,327,669)
4. AVERAGE TRUE-UP AMOUNT (50% of Line C3)	(\$24,901,270)	(\$21,887,652)	(\$20,346,581)	(\$20,750,023)	(\$21,019,517)	(\$21,719,118)	(\$21,191,615)	(\$18,978,303)	(\$17,200,031)	(\$16,611,762)	(\$17,163,354)	(\$16,894,610)	(\$237,663,835)
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	0.54000%	0.79000%	0.75000%	0.55000%	0.40000%	0.30000%	0.35000%	0.30000%	0.25000%	0.22000%	0.22000%	0.20000%	N/A
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	0.79000%	0.75000%	0.65000%	0.40000%	0.30000%	0.35000%	0.30000%	0.25000%	0.22000%	0.22000%	0.20000%	0.20000%	N/A
7. TOTAL (Line C5+C6)	1.33000%	1.54000%	1.30000%	0.95000%	0.70000%	0.65000%	0.65000%	0.55000%	0.47000%	0.44000%	0.42000%	0.40000%	N/A
8. AVERAGE INTEREST RATE (50% of Line C7)	0.66500%	0.77000%	0.65000%	0.47500%	0.35000%	0.32500%	0.32500%	0.27500%	0.23500%	0.22000%	0.21000%	0.20000%	N/A
9. MONTHLY AVERAGE INTEREST RATE (Line C8 / 12)	0.05542%	0.06417%	0.05417%	0.03958%	0.02917%	0.02708%	0.02708%	0.02292%	0.01958%	0.01833%	0.01750%	0.01687%	N/A
10. INTEREST PROVISION FOR THE MONTH (Line C4 x C9)	(\$13,900)	(\$14,045)	(\$11,022)	(\$8,213)	(\$8,131)	(\$5,882)	(\$5,739)	(\$4,350)	(\$3,368)	(\$3,045)	(\$3,004)	(\$2,650)	(\$81,248)

NOTES: () Reflects Underrecovery

N/A = Not Applicable

Totals may not add to due rounding

FLORIDA POWER & LIGHT COMPANY
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
 COMMON EXPENSES (Program No. 21)
 For the Period January through December 2009

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line No.
1.	Investment (Net of Retirements)	\$ -	\$ (840,071)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (207,437)	\$ -	\$ (1,047,508)	1.
2.	Depreciation Base	3,670,356	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,622,848	2,822,848	n/a	2.
3.	Depreciation Expense (a)	58,277	51,276	51,276	51,276	51,276	51,276	51,276	51,276	51,276	51,276	48,548	47,819	47,742	813,596	3.
4.	Cumulative Investment (Line 2)	3,670,356	3,670,356	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,830,285	2,622,848	2,622,848	n/a	4.
5.	Less: Accumulated Depreciation (c)	1,467,829	1,526,206	737,411	788,687	839,964	891,240	942,516	993,793	1,045,069	1,096,345	1,145,893	986,275	1,034,017	n/a	5.
6.	Net Investment (Line 4 - 5)	\$ 2,202,428	\$ 2,144,151	\$ 2,092,874	\$ 2,041,598	\$ 1,990,322	\$ 1,939,045	\$ 1,887,769	\$ 1,836,493	\$ 1,785,217	\$ 1,733,940	\$ 1,684,399	\$ 1,636,574	\$ 1,588,831	n/a	6.
7.	Average Net Investment	2,173,289	2,118,512	2,067,236	2,016,960	1,964,684	1,913,407	1,862,131	1,810,855	1,759,578	1,709,166	1,660,483	1,612,702	n/a	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)	10,258	9,999	9,757	9,515	9,273	9,031	8,789	8,547	8,305	8,067	7,837	7,612			8a.
b.	Equity Comp. grossed up for taxes (Line 8a/61425)	16,700	16,279	15,885	15,491	15,097	14,703	14,309	13,915	13,521	13,134	12,759	12,392	12,392	174,165	8b.
c.	Debt Component (Line 7 * 1.8767% /12)	3,399	3,313	3,233	3,153	3,073	2,992	2,912	2,832	2,752	2,673	2,597	2,522	2,522	35,450	8c.
9.	Total Return Requirements (Line 8b + 8c)	20,099	19,592	19,118	18,644	18,170	17,695	17,221	16,747	16,273	15,806	15,356	14,914	14,914	209,835	9.
10.	Total Depreciation & Return (Line 3 + 9)	\$ 78,376	\$ 70,868	\$ 70,394	\$ 69,920	\$ 69,446	\$ 68,972	\$ 68,497	\$ 68,023	\$ 67,549	\$ 66,354	\$ 63,175	\$ 62,857	\$ 62,857	\$ 823,231	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 5.6840% based on a ROE of 11.75%.

Totals may not add due to rounding

FLORIDA POWER & LIGHT COMPANY
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
Residential Load Management (On Call) & Business On Call (Program Nos. 3 & 9)
For the Period January through December 2009

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line No.	
1.	Investment (Net of Retirements)		\$ (3,011,847)	\$ (45,715)	\$ 1,160,270	\$ (176,526)	\$ 104,573	\$ (128,874)	\$ 2,918,185	\$ 1,091,139	\$ 1,379,656	\$ 51,448	\$ (520,826)	\$ (301,851)	\$ 2,519,531	1.	
2.	Depreciation Base		24,941,341	24,895,626	26,055,896	25,879,370	25,983,943	26,855,069	26,773,253	29,864,393	31,244,049	31,295,496	30,774,570	30,472,719	n/a	2.	
3.	Depreciation Expense (a)		401,700	414,267	425,982	431,561	430,383	420,521	454,365	488,040	505,887	513,476	508,908	505,628	5,500,718	3.	
4.	Cumulative Investment (Line 2)	\$ 27,953,188	24,941,341	24,895,626	26,055,896	25,879,370	25,983,943	25,855,069	26,773,253	29,864,393	31,244,049	31,295,496	30,774,570	30,472,719	n/a	4.	
5.	Less: Accumulated Depreciation (c)		13,188,909	9,723,130	10,091,500	10,512,011	10,750,882	11,175,725	11,480,202	11,888,574	12,319,533	12,745,932	12,943,238	12,862,057	12,963,185	n/a	5.
6.	Net Investment (Line 4 - 5)	\$ 14,764,280	\$ 15,218,211	\$ 14,804,126	\$ 15,543,885	\$ 15,128,488	\$ 14,808,218	\$ 14,374,867	\$ 16,884,679	\$ 17,544,890	\$ 18,498,117	\$ 18,352,259	\$ 17,922,613	\$ 17,509,534	n/a	6.	
7.	Average Net Investment		14,991,245	15,011,169	15,174,006	15,336,186	14,968,353	14,591,543	15,629,773	17,214,769	18,021,488	18,425,188	18,137,386	17,718,024	n/a	7.	
8.	Return on Average Net Investment															8.	
a.	Equity Component (b)		70,759	70,853	71,821	72,387	70,651	68,872	73,773	81,254	85,081	86,967	85,608	83,620		8a.	
b.	Equity Comp. grossed up for taxes (Line 8a/61425)		115,195	115,348	116,800	117,846	115,019	112,124	120,102	132,281	138,480	141,582	139,371	136,133	1,500,081	8b.	
c.	Debt Component (Line 7 * 1.8767% /12)		23,445	23,478	23,731	23,984	23,409	22,820	24,443	26,922	28,184	28,815	28,365	27,708	305,300	8c.	
9.	Total Return Requirements (Line 8b + 8c)		138,640	138,824	140,330	141,830	138,428	134,944	144,545	159,203	166,664	170,397	167,736	163,839	1,805,381	9.	
10.	Total Depreciation & Return (Line 3 + 9)		\$ 540,340	\$ 553,091	\$ 568,312	\$ 573,391	\$ 568,811	\$ 555,464	\$ 598,911	\$ 647,243	\$ 672,551	\$ 683,873	\$ 676,644	\$ 669,468	7,306,099	10.	

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 5.8640% based on a ROE of 11.75%.

Totals may not add due to rounding

ALLOCATION OF DEPRECIATION AND RETURN ON INVESTMENT BETWEEN PROGRAMS

Program	Depreciation	Return	Total
Residential Load Management (On Call) (94.5%)	379,607 131,015 \$ 510,622	391,482 131,189 \$ 522,671	402,553 132,812 \$ 535,365
Business On Call Program (5.5%)	22,094 7,625 \$ 29,719	22,785 7,635 \$ 30,420	23,429 7,718 \$ 31,147
Total	401,700 138,640 \$ 540,340	414,267 138,824 \$ 553,091	425,982 140,330 \$ 568,312