

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: June 25, 2010
TO: Jenny Wu, Economic Analyst, Division of Economic Regulation
FROM: Clarence Prestwood, Chief of Auditing, Office of Auditing and Performance Analysis **CP**
RE: Docket No.: 100007-EI
Company Name: Florida Power & Light Company
Company Code: EI802
Audit Purpose: Environmental Cost Recovery Clause
Audit Control No: 09-363-4-1

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)

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State of Florida



FLORIDA PUBLIC SERVICE COMMISSION

***OFFICE OF AUDITING AND PERFORMANCE ANALYSIS
BUREAU OF AUDITING***

Miami District Office

**Florida Power and Light Company
Environmental Cost Recovery Clause Audit**

Twelve Months Ended December 31, 2009

**DOCKET NO. 100007-EI
AUDIT CONTROL NO. 09-363-4-1**

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Yen Ngo
Audit Manager

A handwritten signature in black ink, appearing to read "Iliana Piedra", written over a horizontal line.

Iliana Piedra
Accounting Specialist

A handwritten signature in black ink, appearing to read "Gabriela Leon", written over a horizontal line.

Gabriela Leon
Accounting Specialist

A handwritten signature in black ink, appearing to read "Bety Maitre", written over a horizontal line.

Bety Maitre
Regulatory Analyst

A handwritten signature in black ink, appearing to read "Kathy Welch", written over a horizontal line.

Kathy Welch
**Public Utilities Supervisor
Audit Reviewer**

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OFFICE OF AUDITING AND PERFORMANCE ANALYSIS
AUDITOR'S REPORT
June 23, 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 the procedures to the attached schedules prepared by Florida Power and Light Company in support of its filing for Environmental Cost Recovery in Docket No. 100007-EI.

This audit is 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:

Plant in Service

Objective: The objective of the audit was to verify the Environmental Cost Recovery Clause (ECRC) project-related plant additions, retirements, and adjustment for the period January to December 2009.

Procedures: We reconciled Plant in Service from the filing to the general ledger. An analytical review was performed to determine the changes in each project. Based on this analysis, two new projects were selected for testing: the Martin Plant Drinking Water System Compliance (Project #35) and the Manatee Temporary Heating System (Project #41). A detail general ledger for these projects was requested and used to judgmentally choose a sample. We verified that the additions had appropriate supporting documentation and were recorded to the correct environmental project and account. The sample items were traced to work orders, invoices, and purchase orders. No errors were found.

Construction of Work in Progress (CWIP)

Objective: The objective of this audit was to verify the net investments associated with the capital projects:

1. Clean Air Interstate Rule (CAIR) (Project #31)
2. Clean Air Mercury Rule (CAMR) (Project #33)
3. DeSoto Next Generation Solar Energy Center (Project #37)
4. Space Coast Next Generation (Project #38)
5. Martin Next Solar Energy Center (Project 39)

Procedures: A detailed list of the charges was provided by the company and was used to choose the sample of these investment projects. We verified that the additions had appropriate supporting documentation and were recorded to the correct project and correct account. These sample items were traced to invoices, billing statements, purchase orders, contracts, and contract change orders. No errors were found.

Final True-Up

Objective: The objective was to verify that the true-up was calculated correctly.

Procedures: We recalculated the true-up and traced the interest rates to the approved interest rates established by the Commission. We traced the prior period true up to the last audit workpapers. No errors were found.

Revenue

Objective: The objective was to determine if the company applied the Commission approved cost recovery factor to actual KWH sales.

Procedures: We prepared a schedule of revenues from FPL's Revenue and Rate Reports which summarize FPL's billing. We computed the factors by rate code and compared them to the last Commission order. We selected some customer bills from to verify that the proper environmental rate factors were used. No errors were found.

Operation & Maintenance Expense

Objective: The objective of the audit was to reconcile a sample of actual operation and maintenance project costs to the operation and maintenance projects listed in Form 42-4 A.

Procedures: The expenses in the filing were traced to the general ledger. A judgmental sample of the operation and maintenance expenses was selected for testing. The source documentation for these items was reviewed to ensure the expense was related to the Environmental Cost Recovery Clause and that the expense was charged to the correct account. No errors were found.

Deferred Gain on Sales of Emission Allowance

Objective: The objective of the audit was to report the monthly SO₂ allowance expenses and NO_X allowance expenses for 2009 including revenues, inventory amounts (tonnages and dollars), expensed amounts (tonnages and dollars), and the amount included in the working capital.

Procedures: The Emission Allowances accounts 254.900 and 411.800 were traced to the general ledger. The proceeds from the largest sales were traced to the invoices. Amortization of the proceeds from one plant location was recalculated. The treatment of the Emission Allowances was made in accordance with Commission Order PSC-94-0353-FOF-EI.

Deferred Accounting Treatment

Objective: The objective of the audit was to report any deferred accounting treatment that FPL may have implemented for expenses incurred for approved ECRC projects.

Procedures: The Company has none.

Depreciation Expense

Objective: The objective of the audit was to verify that the most recent Commission approved depreciation rates or amortization periods were used in calculating the depreciation expense (line 8a and 8b). The objective was also, to verify that the dismantlement expense (line 8c) was not included in depreciation/amortization expense (line 8a and 8b).

Procedures: We recalculated the depreciation expense and the accumulated depreciation for the month of August 2009, and traced it to the general ledger. The depreciation rates were traced to the company's last depreciation study. We tested to determine if dismantlement expense was recorded in the depreciation expense when the recalculation of depreciation expense was performed. No errors were found.

Objective: The objective of the audit was to verify if FPL reported any negative depreciation for any of the Environmental Cost Recovery Clause (ECRC) projects on the company filing, Form 42-8A. In addition, we were asked to review FPL's justification for each negative depreciation amount and include the applicable company workpapers.

Procedures: We reviewed Form 42-8A in order to determine if there was any negative depreciation expense. We obtained schedules from FPL that calculated depreciation and reconciled the balances to the filing. In addition, we asked the company to provide a schedule of any negative depreciation expense. FPL stated there was none.

III. EXHIBITS

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
January through December 2009

Form 42-2A
Page 1 of 2

Line No.	January	February	March	April	May	June
1 ECRC Revenues (net of Revenue Taxes)	\$6,552,273	\$6,531,467	\$6,044,536	\$6,548,128	\$7,264,092	\$8,066,158
2 True-up Provision (Order No. PSC-08-0775-FOF-EI)	(212,850)	(212,850)	(212,850)	(212,850)	(212,850)	(212,850)
3 ECRC Revenues Applicable to Period (Lines 1 + 2)	6,339,424	6,318,617	5,831,686	6,335,278	7,051,242	7,853,308
4 Jurisdictional ECRC Costs						
a - O&M Activities (Form 42-5A, Line 9)	863,689	420,976	881,398	972,078	904,281	972,899
b - Capital Investment Projects (Form 42-7A, Line 9)	3,568,472	3,666,797	4,022,291	4,506,116	4,872,809	5,398,863
c - Total Jurisdictional ECRC Costs	4,432,161	4,087,773	4,903,689	5,478,194	5,777,090	6,371,762
5 Over/(Under) Recovery (Line 3 - Line 4c)	1,907,262	2,230,845	927,998	857,084	1,274,153	1,481,546
6 Interest Provision (Form 42-3A, Line 10)	681	2,253	2,874	2,539	2,245	2,516
7 Prior Periods True-Up to be (Collected)/Refunded in 2009	(2,554,197)	(433,404)	2,012,543	3,156,265	4,228,738	5,717,986
a - Deferred True-Up from 2008 (Form 42-1A, Line 7)	2,694,222	2,694,222	2,694,222	2,694,222	2,694,222	2,694,222
8 True-Up Collected /(Refunded) (See Line 2)	212,850	212,850	212,850	212,850	212,850	212,850
9 End of Period True-Up (Lines 5+6+7+7a+8)	2,289,867	4,735,814	5,879,535	6,952,009	8,441,256	10,138,168
10 Adjustments to Period Total True-Up Including Interest						
11 End of Period Total Net True-Up (Lines 9+10)	\$2,289,867	\$4,735,814	\$5,879,535	\$6,952,009	\$8,441,256	\$10,138,168

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
January through December 2009

Form 42-2A
Page 2 of 2

Line No.	July	August	September	October	November	December	End of Period Amount
1 ECRC Revenues (net of Revenue Taxes)	\$8,889,481	\$8,783,209	\$8,875,079	\$8,410,524	\$7,447,649	\$7,072,766	\$90,485,363
2 True-up Provision (Order No. PSC-08-0775-FOF-EI)	(212,850)	(212,850)	(212,850)	(212,850)	(212,850)	(212,850)	(2,554,197)
3 ECRC Revenues Applicable to Period (Lines 1 + 2)	8,676,632	8,570,359	8,662,229	8,197,674	7,234,800	6,859,917	87,931,166
4 Jurisdictional ECRC Costs							
a - O&M Activities (Form 42-5A, Line 9)	1,207,913	1,156,245	830,059	654,122	929,303	1,516,352	11,309,315
b - Capital Investment Projects (Form 42-7A, Line 9)	5,880,577	6,227,834	6,643,962	7,225,848	8,099,553	8,463,672	68,576,794
c - Total Jurisdictional ECRC Costs	7,088,490	7,384,079	7,474,021	7,879,970	9,028,856	9,980,024	79,886,109
5 Over/(Under) Recovery (Line 3 - Line 4c)	1,588,142	1,186,280	1,188,208	317,705	(1,794,057)	(3,120,107)	8,045,057
6 Interest Provision (Form 42-3A, Line 10)	2,990	2,897	2,750	2,752	2,536	2,041	29,074
7 Prior Periods True-Up to be (Collected)/Refunded in 2009	7,414,897	9,218,879	10,620,906	12,024,714	12,558,021	10,979,350	(2,554,197)
a - Deferred True-Up from 2008 (Form 42-1A, Line 7)	2,694,222	2,694,222	2,694,222	2,694,222	2,694,222	2,694,222	
8 True-Up Collected /(Refunded) (See Line 2)	212,850	212,850	212,850	212,850	212,850	212,850	2,554,197
9 End of Period True-Up (Lines 5+6+7+7a+8)	11,942,149	13,344,177	14,747,984	15,281,291	13,702,620	10,797,404	8,074,131
10 Adjustments to Period Total True-Up Including Interest							
11 End of Period Total Net True-Up (Lines 9+10)	\$11,942,149	\$13,344,177	\$14,747,984	\$15,281,291	\$13,702,620	\$10,797,404	\$8,074,131

Florida Power & Light Company
 Environmental Cost Recovery Clause
 Calculation of the Final True-up Amount for the Period
 January through December 2009

Form 42-3A
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Interest Provision (In Dollars)

Line No.	January	February	March	April	May	June
1 Beginning True-Up Amount (Form 42-2A, Lines 7 + 7a + 10)	\$169,074	\$2,289,867	\$4,735,814	\$5,879,535	\$6,952,009	\$8,441,256
2 Ending True-Up Amount before Interest (Line 1 + Form 42-2A, Lines 5 + 8)	2,289,186	4,733,561	5,876,661	6,949,470	8,439,011	10,135,652
3 Total of Beginning & Ending True-Up (Lines 1 + 2)	\$2,458,260	\$7,023,428	\$10,612,475	\$12,829,005	\$15,391,020	\$18,576,908
4 Average True-Up Amount (Line 3 x 1/2)	\$1,229,130	\$3,511,714	\$5,306,237	\$6,414,503	\$7,695,510	\$9,288,454
5 Interest Rate (First Day of Reporting Month)	0.54000%	0.79000%	0.75000%	0.55000%	0.40000%	0.30000%
6 Interest Rate (First Day of Subsequent Month)	0.79000%	0.75000%	0.55000%	0.40000%	0.30000%	0.35000%
7 Total of Beginning & Ending Interest Rates (Lines 5 + 6)	1.33000%	1.54000%	1.30000%	0.95000%	0.70000%	0.65000%
8 Average Interest Rate (Line 7 x 1/2)	0.66500%	0.77000%	0.65000%	0.47500%	0.35000%	0.32500%
9 Monthly Average Interest Rate (Line 8 x 1/12)	0.05542%	0.06417%	0.05417%	0.03958%	0.02917%	0.02708%
10 Interest Provision for the Month (Line 4 x Line 9)	\$681	\$2,253	\$2,874	\$2,539	\$2,245	\$2,516

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
January through December 2009

Form 42-3A
Page 2 of 2

Interest Provision (in Dollars)

Line No.	July	August	September	October	November	December	End of Period Amount
1 Beginning True-Up Amount (Form 42-2A, Lines 7 + 7a + 10)	\$10,138,168	\$11,942,149	\$13,344,177	\$14,747,984	\$15,281,291	\$13,702,620	N/A
2 Ending True-Up Amount before Interest (Line 1 + Form 42-2A, Lines 5 + 8)	11,939,159	13,341,280	14,745,234	15,278,539	13,700,084	10,795,363	N/A
3 Total of Beginning & Ending True-Up (Lines 1 + 2)	\$22,077,327	\$25,283,429	\$28,089,411	\$30,026,523	\$28,981,375	\$24,497,983	N/A
4 Average True-Up Amount (Line 3 x 1/2)	\$11,038,663	\$12,641,715	\$14,044,705	\$15,013,262	\$14,490,688	\$12,248,992	N/A
5 Interest Rate (First Day of Reporting Month)	0.35000%	0.30000%	0.25000%	0.22000%	0.22000%	0.20000%	N/A
6 Interest Rate (First Day of Subsequent Month)	0.30000%	0.25000%	0.22000%	0.22000%	0.20000%	0.20000%	N/A
7 Total of Beginning & Ending Interest Rates (Lines 5 + 6)	0.65000%	0.55000%	0.47000%	0.44000%	0.42000%	0.40000%	N/A
8 Average Interest Rate (Line 7 x 1/2)	0.32500%	0.27500%	0.23500%	0.22000%	0.21000%	0.20000%	N/A
9 Monthly Average Interest Rate (Line 8 x 1/12)	0.02708%	0.02292%	0.01958%	0.01833%	0.01750%	0.01667%	N/A
10 Interest Provision for the Month (Line 4 x Line 9)	\$2,990	\$2,897	\$2,750	\$2,752	\$2,536	\$2,041	\$29,074

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
January 2009 - December 2009

Line #	Project #	O&M Activities (in Dollars)						6-Month Sub-Total
		Actual JAN	Actual FEB	Actual MAR	Actual APR	Actual MAY	Actual JUN	
1	Description of O&M Activities							
	1 Air Operating Permit Fees-O&M	\$ 105,591	\$ (203,715)	\$ 103,425	\$ 99,469	\$ 102,993	\$ 108,330	\$316,092
	3a Continuous Emission Monitoring Systems-O&M	162,608	50,437	39,806	23,105	74,143	48,244	398,343
	5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	0	33,157	238,877	208,902	116,446	76,614	674,996
	8a Oil Spill Cleanup/Response Equipment-O&M	10,653	31,509	6,673	7,654	12,130	13,254	81,874
	13 RCRA Corrective Action-O&M	0	0	2,000	3,454	745	0	6,199
	14 NPDES Permit Fees-O&M	112,900	0	0	11,500	0	0	124,400
	17a Disposal of Noncontainerized Liquid Waste-O&M	(2,118)	60,000	43,906	20,625	44,081	56,550	223,044
	19a Substation Pollutant Discharge Prevention & Removal - Distribution - O&M	164,838	173,475	201,065	268,183	328,062	301,960	1,437,583
	19b Substation Pollutant Discharge Prevention & Removal - Transmission - O&M	33,272	63,732	24,348	53,221	62,148	33,017	269,738
	19c Substation Pollutant Discharge Prevention & Removal - Costs Included in Base Rates	(46,686)	(46,686)	(46,686)	(46,686)	(46,686)	(46,686)	(280,116)
	20 Wastewater Discharge Elimination & Reuse	0	0	0	0	0	0	0
	NA Amortization of Gains on Sales of Emissions Allowances	(12,858)	(12,858)	(15,015)	(53,391)	(25,466)	(32,119)	(151,707)
	21 St. Lucie Turtle Net	0	0	0	0	0	0	0
	22 Pipeline Integrity Management	13,483	4,277	2,156	108,576	9,612	8,524	146,628
	23 SPCC - Spill Prevention, Control & Countermeasures	49,567	48,754	47,812	50,941	34,589	36,840	268,503
	24 Manatee Return	56,403	68,330	21,972	27,326	111,480	79,128	364,639
	25 Pt. Everglades ESP Technology	49,224	37,792	77,731	53,549	87,190	230,637	536,123
	26 UST Replacement/Removal	0	0	0	0	0	0	0
	27 Lowest Quality Water Source	25,626	25,750	25,261	24,550	25,617	26,736	153,440
	28 CWA 316(b) Phase II Rule	2,040	87	3,500	0	(204,024)	(61,483)	(259,880)
	29 SCR Consumables	22,689	29,011	32,446	37,765	7,566	14,032	143,509
	30 HBMP	1,566	1,566	2,229	2,511	4,142	13,646	25,640
	31 CAIR Compliance	96,844	33,097	25,707	82,197	152,338	56,530	446,713
	32 BART	0	0	0	0	0	0	0
	34 St. Lucie Cooling Water System Inspection & Maintenance	19,814	35,338	52,222	(2,069)	15,089	18,244	138,638
	35 Martin Plant Drinking Water System Compliance	0	0	0	0	0	0	0
	36 Low-Level Radioactive Waste Storage	7,727	(8,614)	0	0	0	0	(887)
	37 DeSoto Next Generation Solar Energy Center	0	0	0	0	0	0	0
	38 Space Coast Next Generation Solar Energy Center	0	0	0	0	0	0	0
	39 Martin Next Generation Solar Energy Center	0	0	0	0	0	0	0
	40 Greenhouse Gas Reduction Program	0	0	0	0	0	0	0
	41 Manatee Temporary Heating System Project	0	0	0	0	0	0	0
	42 Turkey Point Cooling Canal Monitoring Plan	0	0	0	0	0	0	0
2	Total of O&M Activities	\$ 873,073	\$ 424,428	\$ 890,435	\$ 981,382	\$ 912,195	\$ 981,999	\$ 5,063,512
3	Recoverable Costs Allocated to Energy	\$ 490,395	\$ 96,047	\$ 336,728	\$ 300,597	\$ 569,440	\$ 575,331	\$ 2,368,537
4a	Recoverable Costs Allocated to CP Demand	\$ 241,184	\$ 178,250	\$ 375,985	\$ 435,945	\$ 38,036	\$ 128,051	\$ 1,397,450
4b	Recoverable Costs Allocated to GCP Demand	\$ 141,495	\$ 150,132	\$ 177,722	\$ 244,840	\$ 304,719	\$ 278,617	\$ 1,297,525
5	Retail Energy Jurisdictional Factor	98.69261%	98.69261%	98.69261%	98.69261%	98.69261%	98.69261%	
6a	Retail CP Demand Jurisdictional Factor	98.76729%	98.76729%	98.76729%	98.76729%	98.76729%	98.76729%	
6b	Retail GCP Demand Jurisdictional Factor	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	
7	Jurisdictional Energy Recoverable Costs (A)	\$ 483,983	\$ 94,791	\$ 332,326	\$ 296,667	\$ 561,995	\$ 567,809	\$ 2,337,571
8a	Jurisdictional CP Demand Recoverable Costs (B)	\$ 236,211	\$ 176,053	\$ 371,350	\$ 430,571	\$ 37,567	\$ 126,473	\$ 1,380,225
8b	Jurisdictional GCP Demand Recoverable Costs (C)	\$ 141,495	\$ 150,132	\$ 177,722	\$ 244,840	\$ 304,719	\$ 278,617	\$ 1,297,525
9	Total Jurisdictional Recoverable Costs for O&M Activities (Lines 7 + 8)	\$ 863,689	\$ 420,976	\$ 881,398	\$ 972,078	\$ 904,281	\$ 972,899	\$ 5,015,321

Notes:

- (A) Line 3 x Line 5
- (B) Line 4a x Line 6a
- (C) Line 4b x Line 6b

Totals may not add due to rounding.

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
January 2009 - December 2009

Line #	Project #	O&M Activities (in Dollars)							Method of Classification			
		Actual JUL	Actual AUG	Actual SEP	Actual OCT	Actual NOV	Actual DEC	6-Month Sub-Total	12-Month Total	CP Demand	GCP Demand	Energy
1	Description of O&M Activities											
	1 Air Operating Permit Fees-O&M	\$ 105,682	\$ 105,682	\$ 105,682	\$ 105,682	\$ 105,682	\$ 105,682	\$634,095	\$950,186			\$950,186
	3a Continuous Emission Monitoring Systems-O&M	154,243	103,829	177,374	88,300	75,260	172,220	751,326	1,149,669			1,149,669
	5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	76,772	79,301	43,804	3,518	104,121	16,073	323,588	998,584	998,584		
	6a Oil Spill Cleanup/Response Equipment-O&M	10,259	29,714	49,026	16,718	24,074	22,356	152,147	234,021			234,021
	13 RCRA Corrective Action-O&M	0	0	0	0	0	0	0	6,199	6,199		
	14 NPDES Permit Fees-O&M	0	0	0	1,817	0	0	1,817	126,217	126,217		
	17a Disposal of Noncontainerized Liquid Waste-O&M	23,666	30,446	68,253	3,867	363	0	126,595	348,639			349,639
	19a Substation Pollutant Discharge Prevention & Removal - Distribution - O&M	12,683	175,854	133,109	128,881	(10,063)	129,673	568,137	2,005,720		2,005,720	
	19b Substation Pollutant Discharge Prevention & Removal - Transmission - O&M	147,503	50,902	60,348	65,018	137,961	43,070	504,802	774,540	714,980		59,580
	19c Substation Pollutant Discharge Prevention & Removal - Costs Included in Base Rates	(46,686)	(46,686)	(46,686)	(46,686)	(46,686)	(46,686)	(280,116)	(580,232)	(258,569)	(280,116)	(21,547)
	20 Wastewater Discharge Elimination & Reuse	0	0	0	0	0	0	0	0	0		
	NA Amortization of Gains on Sales of Emissions Allowances	(25,284)	(25,284)	(25,284)	(25,284)	(25,284)	(25,284)	(151,704)	(303,411)			(303,411)
	21 St. Lucie Turtle Net	0	0	0	0	0	0	0	0	0		
	22 Pipeline Integrity Management	19,285	116	46,347	22,670	77,246	55,891	221,555	368,183	368,183		
	23 SPCC - Spill Prevention, Control & Countermeasures	58,497	49,042	32,036	84,240	142,350	165,190	531,355	799,858	799,858		
	24 Manatee Reburn	78,070	8,133	16,897	0	55,700	8,437	165,237	529,676			529,676
	25 Ft. Everglades ESP Technology	386,209	104,969	46,405	48,496	43,170	307,674	938,923	1,473,046			1,473,046
	26 UST Replacement/Removal	0	0	0	0	0	0	0	0	0		
	27 Lowest Quality Water Source	25,549	25,436	25,119	26,070	0	49,188	151,362	304,802	304,802		
	28 CWA 316(b) Phase II Rule	10,444	667	0	2,511	11,021	11,962	36,645	(223,235)	(223,235)		
	29 SCR Consumables	30,628	7,520	18,527	8,849	16,872	7,754	90,150	233,659			233,659
	30 HBMP	9,488	2,829	1,556	4,713	1,631	1,631	21,848	47,488	47,488		
	31 CAIR Compliance	112,217	433,352	66,429	133,195	120,488	302,886	1,168,567	1,615,280			1,615,280
	32 BART	0	0	0	0	0	0	0	0	0		0
	34 St. Lucie Cooling Water System Inspection & Maintenance	34,549	35,434	20,504	9,025	57,517	75,794	232,823	371,461	371,461		
	35 Martin Plant Drinking Water System Compliance	0	0	0	0	7,282	0	7,282	7,282	7,282		
	36 Low-Level Radioactive Waste Storage	17	0	0	0	0	0	17	(870)	(803)		(67)
	37 DeSoto Next Generation Solar Energy Center	0	0	0	573	36,740	107,154	144,467	144,467	144,467		
	38 Space Coast Next Generation Solar Energy Center	0	0	0	0	3,684	12,838	16,722	16,722	16,722		
	39 Martin Next Generation Solar Energy Center	0	0	0	0	0	0	0	0	0		
	40 Greenhouse Gas Reduction Program	0	0	0	0	0	0	0	0	0		0
	41 Manatee Temporary Heating System Project	0	0	0	0	0	0	0	0	0		0
	42 Turkey Point Cooling Canal Monitoring Plan	0	0	0	1,096	2,313	11,116	14,527	14,527			14,527
2	Total of O&M Activities	\$ 1,223,792	\$ 1,169,376	\$ 839,446	\$ 661,269	\$ 941,642	\$ 1,534,642	\$ 6,370,167	\$ 11,433,679	\$ 3,423,616	\$ 1,725,604	\$ 6,284,458
3	Recoverable Costs Allocated to Energy	\$ 885,243	\$ 798,582	\$ 528,156	\$ 364,125	\$ 427,455	\$ 914,361	\$ 3,915,921	\$ 6,284,458			
4a	Recoverable Costs Allocated to CP Demand	\$ 349,209	\$ 218,284	\$ 203,525	\$ 193,606	\$ 547,593	\$ 513,951	\$ 2,026,167	\$ 3,423,616			
4b	Recoverable Costs Allocated to GCP Demand	\$ (10,660)	\$ 152,511	\$ 109,766	\$ 103,538	\$ (33,406)	\$ 106,330	\$ 428,079	\$ 1,725,604			
5	Retail Energy Jurisdictional Factor	98.69261%	98.69261%	98.69261%	98.69261%	98.69261%	98.69261%					
6a	Retail CP Demand Jurisdictional Factor	98.76729%	98.76729%	98.76729%	98.76729%	98.76729%	98.76729%					
6b	Retail GCP Demand Jurisdictional Factor	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%					
7	Jurisdictional Energy Recoverable Costs (A)	\$ 873,669	\$ 788,141	\$ 519,277	\$ 359,365	\$ 421,866	\$ 902,407	\$ 3,864,725	\$ 6,202,296			
8a	Jurisdictional CP Demand Recoverable Costs (B)	\$ 344,904	\$ 215,593	\$ 201,016	\$ 191,219	\$ 540,843	\$ 507,615	\$ 2,001,190	\$ 3,381,415			
8b	Jurisdictional GCP Demand Recoverable Costs (C)	\$ (10,660)	\$ 152,511	\$ 109,766	\$ 103,538	\$ (33,406)	\$ 106,330	\$ 428,079	\$ 1,725,604			
9	Total Jurisdictional Recoverable Costs for O&M Activities (Lines 7 + 8)	\$ 1,207,913	\$ 1,156,245	\$ 830,059	\$ 654,122	\$ 929,303	\$ 1,516,352	\$ 6,293,894	\$ 11,309,315			

Notes:
(A) Line 3 x Line 5
(B) Line 4a x Line 6a
(C) Line 4b x Line 6b

Totals may not add due to rounding.

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
January 2009 - December 2009

Capital Investment Projects-Recoverable Costs
(in Dollars)

Line #	Project #	Actual JAN	Actual FEB	Actual MAR	Actual APR	Actual MAY	Actual JUN	6-Month Sub-Total
1	Description of Investment Projects (A)							
	2 Low NOx Burner Technology-Capital	\$68,201	\$67,789	\$67,377	\$66,965	\$66,553	\$ 66,141	\$ 403,026
	3b Continuous Emission Monitoring Systems-Capital	80,941	80,636	80,327	80,017	79,712	79,407	481,041
	4b Clean Closure Equivalency-Capital	313	312	311	310	309	308	1,865
	5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	139,023	138,616	138,209	138,378	138,568	138,180	830,975
	7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	128	128	127	127	127	127	764
	8b Oil Spill Cleanup/Response Equipment-Capital	7,184	7,140	7,101	7,050	7,186	7,543	43,204
	10 Relocate Storm Water Runoff-Capital	788	767	786	785	783	782	4,711
	NA SO2 Allowances-Negative Return on Investment	(21,890)	(21,771)	(21,642)	(21,954)	(22,218)	(22,035)	(131,510)
	12 Scherer Discharge Pipeline-Capital	5,165	5,154	5,144	5,133	5,122	5,112	30,830
	17b Disposal of Noncontainerized Liquid Waste-Capital	0	0	0	0	0	0	0
	20 Wastewater Discharge Elimination & Reuse	19,861	19,827	19,794	19,760	19,726	19,692	118,660
	21 St. Lucie Turtle Net	9,384	9,568	9,576	9,579	9,575	9,572	57,254
	22 Pipeline Integrity Management	0	0	0	0	0	0	0
	23 SPCC - Spill Prevention, Control & Countermeasures	224,878	224,447	224,229	223,790	223,294	222,799	1,343,437
	24 Manatee Reburn	390,300	389,184	388,067	386,951	385,834	384,612	2,324,948
	25 Pt. Everglades ESP Technology	942,744	940,195	937,643	935,094	932,589	930,220	5,618,485
	26 UST Removal / Replacement	5,514	5,503	5,493	5,483	5,473	5,462	32,928
	31 CAIR Compliance	1,244,509	1,311,857	1,396,666	1,532,443	1,676,061	1,809,519	8,970,855
	33 CAMR Compliance	370,320	360,907	394,529	434,286	465,911	507,449	2,533,402
	34 St. Lucie Cooling Water System Inspection & Maintenance	0	0	0	0	0	0	0
	35 Martin Plant Drinking Water System Compliance	998	2,251	2,505	2,502	2,499	2,496	13,251
	36 Low-Level Radioactive Waste Storage	0	0	0	0	0	0	0
	37 DeSoto Next Generation Solar Energy Center	41,010	70,144	291,436	559,750	691,866	947,612	2,602,018
	38 Space Coast Next Generation Solar Energy Center	6,587	7,286	7,865	14,678	22,109	37,299	95,824
	39 Martin Next Generation Solar Energy Center	78,281	94,033	118,200	162,505	223,841	315,070	991,930
	41 Manatee Temporary Heating System Project	0	0	0	0	0	0	0
	42 Turkey Point Cooling Canal Monitoring Plan	0	0	0	0	0	0	0
2	Total Investment Projects - Recoverable Costs	\$ 3,614,240	\$ 3,713,794	\$ 4,073,743	\$ 4,563,633	\$ 4,934,921	\$ 5,467,567	\$ 26,367,897
3	Recoverable Costs Allocated to Energy	\$ 1,825,984	\$ 1,829,707	\$ 1,653,462	\$ 1,686,809	\$ 1,711,120	\$ 1,748,286	\$ 10,055,367
4	Recoverable Costs Allocated to Demand	\$ 1,988,256	\$ 2,084,087	\$ 2,420,281	\$ 2,876,824	\$ 3,223,800	\$ 3,719,282	\$ 16,312,530
5	Retail Energy Jurisdictional Factor	98.69261%	98.69261%	98.69261%	98.69261%	98.69261%	98.69261%	
6	Retail Demand Jurisdictional Factor	98.76729%	98.76729%	98.76729%	98.76729%	98.76729%	98.76729%	
7	Jurisdictional Energy Recoverable Costs (B)	\$ 1,604,726	\$ 1,608,401	\$ 1,831,845	\$ 1,664,755	\$ 1,688,749	\$ 1,725,429	\$ 9,923,905
8	Jurisdictional Demand Recoverable Costs (C)	\$ 1,963,746	\$ 2,058,396	\$ 2,390,446	\$ 2,841,381	\$ 3,184,060	\$ 3,673,434	\$ 16,111,443
9	Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	\$ 3,568,472	\$ 3,666,797	\$ 4,022,291	\$ 4,506,116	\$ 4,872,809	\$ 5,398,863	\$ 26,035,348

Notes:
(A) Each project's Total System Recoverable Expenses on Form 42-8A, Line 9
(B) Line 3 x Line 5
(C) Line 4 x Line 6

Florida Power & Light Company
Environmental Cost Recovery Clause
Calculation of the Final True-up Amount for the Period
January 2009 - December 2009

Capital Investment Projects-Recoverable Costs
(in Dollars)

Line #	Project #	Actual	Actual	Actual	Actual	Actual	Actual	6-Month	12-Month	Method of Classification	
		JUL	AUG	SEP	OCT	NOV	DEC	Sub-Total	Total	Demand	Energy
1 Description of Investment Projects (A)											
2	Low NOx Burner Technology-Capital	\$ 66,006	\$ 65,870	\$ 65,458	\$ 64,896	\$ 64,143	\$ 63,542	\$ 389,915	\$ 792,941		\$ 792,941
3b	Continuous Emission Monitoring Systems-Capital	79,102	78,797	78,492	78,201	77,911	77,608	470,111	951,151		951,151
4b	Clean Closure Equivalency-Capital	307	306	305	304	303	302	1,828	3,692	3,408	284
5b	Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	137,770	137,359	136,947	136,534	136,124	135,714	820,447	1,651,422	1,524,389	127,033
7	Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	126	126	126	125	125	125	753	1,517	1,400	117
8b	Oil Spill Cleanup/Response Equipment-Capital	7,864	8,135	8,356	8,586	8,716	8,658	50,315	93,519	86,325	7,194
10	Relocate Storm Water Runoff-Capital	781	779	778	777	776	774	4,665	9,376	8,655	721
NA	SO2 Allowances-Negative Return on Investment	(21,852)	(21,618)	(21,385)	(21,151)	(20,917)	(20,683)	(127,606)	(259,116)		(259,116)
12	Scherer Discharge Pipeline-Capital	5,101	5,091	5,080	5,070	5,059	5,049	30,450	61,280	56,566	4,714
17b	Disposal of Noncontainerized Liquid Waste-Capital	0	0	0	0	0	0	0	0	0	0
20	Wastewater Discharge Elimination & Reuse	19,659	19,625	19,591	19,557	19,524	19,490	117,446	236,106	217,944	18,162
21	St. Lucie Turtle Net	9,569	9,566	9,563	9,560	9,556	9,553	57,367	114,621	105,804	8,817
22	Pipeline Integrity Management	0	0	0	0	0	0	0	0	0	0
23	SPCC - Spill Prevention, Control & Countermeasures	222,302	221,806	221,309	203,825	186,396	185,985	1,241,623	2,585,060	2,386,209	198,851
24	Manatee Reburn	363,391	382,276	391,162	379,407	377,658	376,556	2,280,450	4,605,398		4,605,398
25	Pl. Everglades ESP Technology	928,193	926,553	924,590	922,521	920,652	919,747	5,542,256	11,160,741		11,160,741
26	UST Removal / Replacement	5,452	5,442	5,432	5,421	5,411	5,401	32,559	65,487	60,450	5,037
31	CAIR Compliance	1,928,381	2,054,702	2,154,514	2,257,242	2,374,992	2,597,297	13,367,128	22,337,983	20,619,677	1,718,306
33	CAMR Compliance	556,252	588,514	621,873	664,810	704,871	764,187	3,900,507	6,433,909	5,938,993	494,916
34	St. Lucie Cooling Water System Inspection & Maintenance	0	0	0	0	0	0	0	0	0	0
35	Martin Plant Drinking Water System Compliance	2,493	2,490	2,487	2,483	2,480	2,477	14,910	28,161	25,995	2,166
36	Low-Level Radioactive Waste Storage	0	0	0	0	0	0	0	0	0	0
37	DeSoto Next Generation Solar Energy Center	1,145,720	1,162,334	1,208,308	1,392,119	1,799,917	1,476,570	8,184,968	10,786,986	9,957,218	829,768
38	Space Coast Next Generation Solar Energy Center	54,359	68,378	109,974	163,992	211,283	306,933	912,919	1,008,743	931,147	77,596
39	Martin Next Generation Solar Energy Center	424,344	592,397	795,314	1,023,174	1,302,623	1,605,948	5,743,800	8,735,730	6,217,597	518,133
41	Manatee Temporary Heating System Project	0	0	0	0	14,508	29,563	44,071	44,071	40,681	3,390
42	Turkey Point Cooling Canal Monitoring Plan	0	0	0	0	0	0	0	0	0	0
2	Total Investment Projects - Recoverable Costs	\$ 5,955,320	\$ 6,306,929	\$ 6,728,274	\$ 7,317,453	\$ 8,202,111	\$ 8,570,795	\$ 43,080,881	\$ 69,448,778	\$ 48,182,458	\$ 21,266,320
3	Recoverable Costs Allocated to Energy	\$ 1,782,569	\$ 1,806,882	\$ 1,838,006	\$ 1,877,226	\$ 1,941,190	\$ 1,967,079	\$ 11,210,953	\$ 21,266,320		
4	Recoverable Costs Allocated to Demand	\$ 4,172,751	\$ 4,500,047	\$ 4,892,268	\$ 5,440,227	\$ 6,260,921	\$ 6,603,716	\$ 31,869,929	\$ 48,182,458		
5	Retail Energy Jurisdictional Factor	98.69261%	98.69261%	98.69261%	98.69261%	98.69261%	98.69261%				
6	Retail Demand Jurisdictional Factor	98.76729%	98.76729%	98.76729%	98.76729%	98.76729%	98.76729%				
7	Jurisdictional Energy Recoverable Costs (B)	\$ 1,759,264	\$ 1,783,260	\$ 1,812,002	\$ 1,852,683	\$ 1,915,811	\$ 1,941,361	\$ 11,064,381	\$ 20,988,286		
8	Jurisdictional Demand Recoverable Costs (C)	\$ 4,121,313	\$ 4,444,574	\$ 4,831,960	\$ 5,373,165	\$ 6,183,742	\$ 6,522,311	\$ 31,477,065	\$ 47,588,508		
9	Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	\$ 5,880,577	\$ 6,227,834	\$ 6,643,962	\$ 7,225,848	\$ 8,099,553	\$ 8,463,672	\$ 42,541,446	\$ 68,576,794		

Notes:

(A) Each project's Total System Recoverable Expenses on Form 42-8A, Line 9

(B) Line 3 x Line 5

(C) Line 4 x Line 6

Totals may not add due to rounding.