

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 100009-EI
FLORIDA POWER & LIGHT COMPANY

IN RE: NUCLEAR POWER PLANT COST RECOVERY
FOR THE YEARS ENDING
DECEMBER 2010 AND 2011

SUPPLEMENTAL TESTIMONY & EXHIBITS OF:

WINNIE POWERS
(REVISED)

COM 5
APA 1
ECR 6
GCL 1
RAD 1
SSC
ADM
OPC
CLK CF.RPR

DOCUMENT NUMBER-0000

06751 AUG 16 2011

FPSC-COM 410-211-7000

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **SUPPLEMENTAL TESTIMONY OF WINNIE POWERS**

4 **DOCKET NO. 100009-EI**

5 **July 7, 2010**

6
7 **Q. Please state your name and business address.**

8 A. My name is Winnie Powers. My business address is 9250 W. Flagler St,
9 Miami, Florida 33174.

10 **Q. Have you previously provided testimony in this docket?**

11 A. Yes.

12 **Q. Are you sponsoring any supplemental exhibits in this case?**

13 A. Yes. I am sponsoring the following exhibit that is attached to my
14 supplemental testimony:

15 Exhibit WP-7: Which consists of a revision to previously filed WP-5 and
16 previously filed Nuclear Filing Requirements Schedules (NFR) AE-1, AE-4,
17 P-1, P-4, TOR-1, and TOR-4.

18 **Q. What is the purpose of your supplemental testimony?**

19 A. My supplemental testimony addresses revisions to the process Florida Power
20 & Light Company (FPL) uses for reporting recoverable O&M, which FPL
21 agreed to make based on Staff's July 1, 2010 meeting with the parties in this
22 docket and Docket No. 100001-EI.

23 **Q. Please explain FPL's process prior to the revision.**

1 A. Effective January 1, 2010, as stated in my May 3, 2010 testimony, FPL
2 expensed the deferred recoverable O&M representing 2008 and 2009 actual
3 costs and began expensing the current month actual recoverable O&M
4 incurred to FPL's Capacity Cost Recovery Clause (CCRC) recoverable
5 accounts. Any resulting (over)/under recoveries were included in those
6 CCRC accounts and accrued interest at the 30-day commercial paper rate.
7 While this process facilitated the calculation of (over)/under recoveries and
8 the calculation of the interest, it separated the calculation from the underlying
9 variances reported in the NFRs that created the (over)/under recoveries.

10 **Q. How has FPL revised its process?**

11 A. FPL has revised its process by going back to January 1, 2010 and removing
12 variances from the CCRC recoverable accounts related to nuclear recoverable
13 O&M and recalculating interest in the CCRC excluding those variances. The
14 result is that the 2010 CCRC estimated/actual true-up schedules that FPL will
15 file on August 2, 2010 in Docket No. 100001-EI will not reflect Nuclear Cost
16 Recovery Clause (NCRC) recoverable O&M variances or the associated
17 interest. Instead, those variances and interest will be reported on the NFRs
18 and requested for recovery in the NCRC.

19 **Q. How has FPL reflected this revision in the NCRC?**

20 A. In the NCRC, FPL revised the previously filed NFR AE-4, P-4, and TOR-4
21 schedules to include the interest calculation on the nuclear recoverable O&M
22 variances. Since this amount is no longer calculated on the CCRC schedules,
23 the interest on the unrecovered balance of 2008 and 2009 actual recoverable

1 O&M and 2010 actual/estimated recoverable O&M compared to projected
2 recoverable O&M will increase FPL's requested revenue requirements by
3 ~~\$2,517~~ \$2,525 (~~\$1,567~~ \$1,572 as shown on the AE-4 schedule and ~~\$950~~ \$953
4 as shown on the P-4 schedule). Attached as Exhibit WP-7 are the revised
5 Nuclear Cost Recovery AE-4, P-4, and TOR-4 schedules. This exhibit allows
6 this Commission to see the actual/estimated and projected recoverable O&M,
7 related variances, and the interest calculation directly on the NFR schedules.
8 FPL believes this revision simplifies the true-up and interest calculation for
9 NCRC costs by centralizing the process in this docket, which is specifically
10 for the purpose of addressing such costs.

11 **Q. What is the impact on revenue requirements that FPL is requesting for**
12 **recovery in this docket?**

13 A. FPL previously requested recovery of \$28,754,660 of revenue requirements in
14 this docket as shown in Exhibit WP-5 filed on May 3, 2010. As mentioned
15 above, and as noted in WP-7, the additional revenue requirements FPL is
16 requesting to recover is ~~\$2,517~~ \$2,525, consisting of interest on the
17 unrecovered balance of 2008 and 2009 actual recoverable O&M and 2010
18 actual/estimated recoverable O&M compared to projected recoverable O&M.
19 Exhibit WP-7 reflects the revision to my WP-5 schedule as a result of the
20 additional ~~\$2,517~~ \$2,525 revenue requirement for a total revised revenue
21 requirement request of ~~\$28,757,177~~ \$31,288,445. Also attached to Exhibit
22 WP-7 are the revisions to NFR schedules AE-1, P-1, and TOR-1 also filed in
23 this docket on May 3, 2010.

1 **Q. Has FPL filed any CCRC schedules in Docket No. 100001-EI that will**
2 **need to be revised to reflect the impact of excluding the NCRC variances**
3 **from the CCRC true-up and the associated interest calculations?**

4 A. No. FPL has not yet had occasion to file CCRC schedules that reflect NCRC
5 variances or associated interest. Those variances and interest would have first
6 appeared on the 2010 estimated/actual CCRC schedules. However, as I
7 mentioned previously, those schedules will be filed on August 2, 2010 in
8 Docket No. 100001-EI and will not reflect NCRC variances or associated
9 interest.

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

11 A. Yes.

12

Florida Power & Light Company
Revised Costs Presented in Docket 100009-EI (in Jurisdictional \$'s net of participants)

Line No.	(1) Dkt. # 090009 2009 Actual/ Estimated	(2) Dkt. # 100009 2009 True-Up	(3)=(2)-(1) 2009 (Over)/ Under Recovery	(4) Dkt. # 090009 2010 Projected Costs	(5) Dkt. # 100009 2010 Actual/ Estimated	(6)=(5)-(4) 2010 (Over)/ Under Recovery	(7)=(2)+(5) Current True-up & Actual/Estimated for 2010	(8)=(3)+(6) Total 2009/2010 (Over)/Under Recovery	(9) Dkt. # 100009 2011 Projected Costs	(10)=(8)+(9) Net Costs to be Recovered/ (Refunded) in 2011	
Turkey Point 6 & 7 Site Selection											
1											
2	Site Selection Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3											
4	Carrying Costs	\$346,025	\$343,600	(\$2,425)	(\$20,238)	(\$31,207)	(\$10,969)	\$312,393	(\$13,394)	(\$9,831)	
5	Carrying Costs on DTA/DTL	\$126,913	\$29,562	(\$97,351)	\$253,374	\$177,172	(\$76,202)	\$206,734	(\$173,553)	\$180,883	
6	Total Carrying Costs	\$472,938	\$373,162	(\$99,776)	\$233,136	(\$145,965)	(\$87,171)	\$519,127	(\$186,947)	\$171,052	
7											
8	Recovery of Costs & Carrying Costs	\$472,938	\$373,162	(\$99,776)	\$233,136	(\$145,965)	(\$87,171)	\$519,127	(\$186,947)	\$171,052	
9											
10											
11	Turkey Point 6 & 7 Preconstruction										
12											
13	Pre-Construction Costs	\$45,444,468	\$37,599,045	(\$7,845,423)	\$90,654,124	\$42,125,853	(\$48,528,272)	\$79,724,897	(\$56,373,695)	\$29,121,201	
14											
15	Carrying Costs	\$1,524,630	(\$691,521)	(\$2,216,152)	(\$4,821,040)	(\$8,627,017)	(\$3,805,977)	(\$9,318,538)	(\$6,022,128)	(\$3,407,012)	
16	Carrying Costs on DTA/DTL	\$2,036,141	\$1,549,215	(\$486,926)	\$5,794,775	\$3,892,232	(\$1,902,544)	\$5,441,446	(\$2,389,470)	\$5,596,206	
17	Total Carrying Costs	\$3,560,771	\$857,693	(\$2,703,078)	\$973,735	(\$4,734,785)	(\$5,708,520)	(\$3,877,092)	(\$8,411,598)	\$2,189,194	
18											
19	Recovery of Costs & Carrying Costs	\$49,005,239	\$38,456,738	(\$10,548,501)	\$91,627,859	\$37,391,067	(\$54,236,792)	\$75,847,806	(\$64,785,293)	\$31,310,395	
20											
21											
22	Total Turkey Point 6 & 7	\$49,478,177	\$38,829,900	(\$10,648,277)	\$91,860,995	\$37,537,032	(\$54,323,963)	\$76,366,932	(\$64,972,240)	\$31,481,447	
23											
24	Uprate										
25											
26	Construction Costs (a)	\$252,317,529	\$227,680,201	\$0	\$376,703,895	\$302,009,710	\$0	\$0	\$0	\$521,701,593	
27											
28	Carrying Costs (b)	\$20,304,909	\$18,343,745	(\$1,961,165)	\$41,594,586	\$44,348,843	\$2,754,257	\$62,692,588	\$793,092	\$50,832,130	
29	Carrying Costs on DTA/DTL	(\$7,519)	(\$1,883,861)	(\$1,876,342)	\$0	(\$1,996,520)	(\$1,996,520)	(\$3,880,382)	(\$3,872,862)	(\$1,702,390)	
30	Total Carrying Costs	\$20,297,390	\$16,459,883	(\$3,837,507)	\$41,594,586	\$42,352,323	\$757,736	\$58,812,206	(\$3,079,770)	\$49,129,740	
31	Recoverable O&M including Interest (d)	\$544,467	480,934	(\$63,533)	\$2,147,983	3,140,969	\$992,986	\$3,621,903	\$929,452	3,917,202	
32	Total Non-Base Rate Related Costs	\$20,841,857	\$16,940,817	(\$3,901,040)	\$43,742,570	\$45,493,292	\$1,750,722	\$62,434,109	(\$2,150,318)	\$53,046,942	
33											
34	Base Rate Revenue Requirement	\$83,460	\$12,802	(\$70,658)	\$15,877,677	\$2,018,321	(\$13,859,356)	\$2,031,123	(\$13,930,014)	\$28,270,391	
35	Carrying Costs (Over)/Under Recovery (c)	\$83,460	\$12,802	(\$70,658)	\$15,877,677	(\$457,762)	(\$457,762)	(\$457,762)	(\$457,762)	\$14,340,377	
36											
37	Recovery of Costs, Carrying Costs, and Base Rate Revenue Requirements	\$20,925,317	\$16,953,619	(\$3,971,698)	\$59,620,247	\$47,053,850	(\$12,566,397)	\$64,007,469	(\$16,538,094)	\$81,317,333	
38											
39											
40											
41	Total Recovery	\$70,403,494	\$55,783,519	(\$14,619,975)	\$151,481,242	\$84,590,883	(\$66,890,360)	\$140,374,402	(\$81,510,334)	\$112,798,780	
42											
43											
44											
45											
46											
47	(a) Total Construction Costs for uprates is the current period jurisdictional additions net of participants amount for construction work which includes transmission.										
48	(b) The period to date CWIP Balance base on which carrying costs are calculated can be found on the T/AE/P-3 Line 6 for Uprates. The CWIP Balance base on which carrying costs are calculated can be found on the T/AE/P-2 Line 4 for Site Selection and Pre-Construction.										
49	(c) FPL originally projected \$15,877,677 of Base Rate Revenue Requirements in 2010. That amount has been revised to \$2,018,321 for 2010 for an overrecovery of (\$13,859,356). The overrecovery of (\$13,859,356) and the associated carrying charge of (\$457,762) or (\$14,317,118) will reduce the CCRC charge paid by customers when the CCRC is re-set in 2011.										
50	(d) Interest at the commercial paper rate is included in recoverable O&M costs on line 30 in 2010 actual/estimated costs and 2011 projected costs on this schedule. The calculation of the interest at the commercial paper rate is shown on NFR AE-4 (page 5) and P-4 (page 9) Schedules in this Exhibit.										