

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 100001-EI
FLORIDA POWER & LIGHT COMPANY**

September 1, 2010

GENERATING PERFORMANCE INCENTIVE FACTOR

JANUARY 2011 THROUGH DECEMBER 2011

TESTIMONY & EXHIBITS OF:

C. A. PRIORE III

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DOCUMENT NUMBER-DATE

07394 SEP-10

FPSC-COMMISSION CLERK

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF CARMINE A. PRIORE III**

4 **DOCKET NO. 100001-EI**

5 **SEPTEMBER 1, 2010**

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

8 A. My name is Carmine A. Priore III and my business address is 700 Universe
9 Boulevard, Juno Beach, Florida 33408.

10 **Q. Please state your present position with Florida Power and Light Company**
11 **(FPL).**

12 A. I am Vice President of Production Assurance and Business Services in the Power
13 Generation Division of FPL.

14 **Q. Have you previously testified in this docket?**

15 A. Yes, I have.

16 **Q. What is the purpose of your testimony?**

17 A. The purpose of my testimony is to present FPL's generating unit equivalent
18 availability factor (EAF) targets and average net operating heat rate (ANOHR)
19 targets used in determining the Generating Performance Incentive Factor (GPIF) for
20 the period January through December, 2011. In addition, I will explain a
21 refinement that FPL has implemented for calculation of the 2011 GPIF ANOHR
22 targets for combined cycle units, which will also be applied to recalculate the 2010
23 targets and to adjust the prior years' reward/penalty calculations. Implementing this

1 refinement for prior years results in a credit to customers of \$832,595 including
2 interest, which FPL proposes to apply as a reduction to the 2009 GPIF reward of
3 \$8,948,495 that was presented in my April 1, 2010 testimony. FPL has included
4 the revised 2009 reward of \$8,115,900 in the calculation of its 2011 fuel cost
5 recovery factors.

6 **Q. Have you prepared, or caused to have prepared under your direction,**
7 **supervision, or control, any exhibits in this proceeding?**

8 A. Yes, I am sponsoring the following three exhibits:

- 9 ● Exhibit CP-2: This exhibit supports the development of the 2011 GPIF
10 targets (EAF and ANOHR). The first page of this exhibit is an index to the
11 contents of the exhibit. All other pages are numbered according to the GPIF
12 Manual as approved by the Commission.
- 13 ● Exhibit CP-3: This exhibit supports the development of the revised 2010
14 GPIF ANOHR targets for combined cycle units.
- 15 ● Exhibit CP-4: This exhibit provides an annual breakdown of the \$832,595
16 credit resulting from the GPIF ANOHR calculation refinement.

17 **Q. Please explain the nature of FPL's calculation refinement.**

18 A. FPL has identified and applied a refinement to its calculation of the combined cycle
19 units' ANOHR. At the inception of the GPIF, FPL's fossil system generation was
20 primarily fueled by oil. Accordingly, FPL applied a gas adjustment factor (GAF) to
21 adjust the heat rates for units that are potentially dual-fuel (oil and gas) fired to an
22 equivalent 100% oil-based ANOHR. This practice of using a GAF ensured
23 consistent and comparative unit efficiency reporting relative to the primary fuel (as

1 unit fuel mix varies year to year or when comparing actual to projected heat rates).
2 Over time, however, the system-level GAF outlived its usefulness because it is not
3 required for FPL's newer combined cycle units that are fired almost exclusively
4 with gas, and that now are the primary fossil-fueled GPIF units. When adding
5 Turkey Point Unit 5 as a new 2011 GPIF unit, FPL realized that the GAF was still
6 being applied as new combined cycle units came into service, even though there
7 was no longer a reason to do so. Therefore, the GAF was discontinued for the
8 newer combined cycle units, and removed when calculating their ANOHR heat
9 rates. This refinement updates combined cycle unit ANOHR heat rate calculations
10 (both actual and target), for consistency with the current primary fuel (i.e. gas) at
11 FPL's modern fossil power plants.

12 **Q. Does this change affect the 2010 approved GPIF ANOHR targets for combined**
13 **cycle units?**

14 A. Yes. This change will be addressed later in my testimony.

15 **Q. Is FPL also proposing to adjust the combined cycle units' ANOHR rewards in**
16 **prior years?**

17 A. Yes. While the GAF was applied consistently to both targets and actual results in
18 the prior years, FPL believes it is proper and in the customers' interest to adjust the
19 prior years' ANOHR rewards related to combined cycle units. This adjustment will
20 be addressed later in my testimony.

21 **Q. Please summarize the 2011 system targets for EAF and ANOHR for the units**
22 **to be considered in establishing the GPIF for FPL.**

1 A. For the period of January through December, 2011, FPL projects a weighted system
2 equivalent planned outage factor of 12.3% and a weighted system equivalent
3 unplanned outage factor of 6.6%, which yield a weighted system equivalent
4 availability target of 81.1%. The targets for this period reflect planned refueling
5 outages for three nuclear units. FPL also projects a weighted system ANOHR
6 target of 8,541 Btu/kWh for the period January through December, 2011. As
7 discussed later in my testimony, these targets represent fair and reasonable values.
8 Therefore, FPL requests that the targets for these performance indicators be
9 approved by the Commission.

10 **Q. Have you established target levels of performance for the units to be**
11 **considered in establishing the GPIF for FPL?**

12 A. Yes, I have. Exhibit CP-2, pages 6 and 7, contains the information summarizing
13 the targets and ranges for EAF and ANOHR for 11 generating units that FPL
14 proposes to be considered as GPIF units for the period of January through
15 December, 2011. All of these targets have been derived utilizing the accepted
16 methodologies adopted in the GPIF Manual.

17 **Q. Please summarize FPL's methodology for determining equivalent availability**
18 **targets.**

19 A. The GPIF Manual requires that the EAF target for each unit be determined as the
20 difference between 100% and the sum of the equivalent planned outage factor
21 (EPOF) and the equivalent unplanned outage factor (EUOF). The EPOF for each
22 unit is determined by the length of the planned outage, if any, scheduled for the
23 projected period. The EUOF is determined by the sum of the historical average

1 equivalent forced outage factor (EFOF) and the equivalent maintenance outage
2 factor (EMOF). The EUOF is then adjusted to reflect recent unit performance and
3 known unit modifications or equipment changes.

4 **Q. Please summarize FPL's methodology for determining ANOHR targets.**

5 A. To develop the ANOHR targets, historic ANOHR vs. unit net output factor curves
6 are developed for each GPIF unit. The historic data is analyzed for any unusual
7 operating conditions and changes in equipment that affect the predicted heat rate.
8 A regression equation is calculated and a statistical analysis of the historic ANOHR
9 variance with respect to the best fit curve is also performed to identify unusual
10 observations. The resulting equation is used to project ANOHR for the unit using
11 the net output factor from the production costing simulation program,
12 POWERSYM. This projected ANOHR value is then used in the GPIF tables and in
13 the calculations to determine the possible fuel savings or losses due to
14 improvements or degradations in heat rate performance. This process is consistent
15 with the GPIF Manual.

16 **Q. How did you select the units to be considered when establishing the GPIF for**
17 **FPL?**

18 A. In accordance with the GPIF Manual, the GPIF units selected typically represent no
19 less than 80% of the estimated system net generation. The estimated net generation
20 for each unit is taken from the POWRSYM model, which forms the basis for the
21 projected levelized fuel cost recovery factor for the period. In this case, the 11 units
22 which FPL proposes to use for the period of January through December 2011
23 represent the top 83.7% of the total forecasted system net generation for this period

1 excluding the new West County Energy Center units. These three units are new for
2 2009 and 2011 and were excluded from the GPIF calculation because there is
3 insufficient historical data to include them. Therefore, consistent with the GPIF
4 Manual, the West County Energy Center units will be considered in the GPIF
5 calculations once FPL has enough operating history to use in projecting future
6 performance.

7 **Q. Do FPL's 2011 EAF and ANOHR performance targets represent reasonable**
8 **level of generation availability and efficiency?**

9 A. Yes, they do.

10 **Q. Please explain what effect the refinement discussed earlier has on the 2010**
11 **approved GPIF ANOHR targets for combined cycle units.**

12 A. On page 13 of Order No. PSC-09-0795-FOF-EI, the Commission approved the
13 following 2010 GPIF ANOHR targets (in Btu/kWh) for five combined cycle units
14 with a system gas adjustment factor applied: Ft. Myers 2 (6,952), Sanford 4 (6,968),
15 Sanford 5 (6,969), Manatee 3 (6,750), and Martin 8 (6,826). The effect of
16 removing the system GAF slightly increases the target values of the combined cycle
17 units, as follows: Ft. Myers 2 (7,230), Sanford 4 (7,247), Sanford 5 (7,247),
18 Manatee 3 (7,020), and Martin 8 (7,099) Exhibit CP-3 supports the development of
19 the revised 2010 GPIF ANOHR targets for combined cycle units. When calculating
20 the true-up for 2010, these revised targets will be compared to actual heat rates with
21 the system GAF also removed. Thus, target and actual heat rate performance will
22 continue to be compared on an equivalent basis.

1 **Q. How does this refinement affect combined cycle units' ANOHR rewards in**
2 **prior years?**

3 A. The ANOHR targets that are calculated in the GPIF are based upon regression
4 curves—over a range of net output factors (NOF) in order to compare target and
5 actual performance at the same NOF. When the GAF was removed, the ANOHR
6 targets and actual results changed, which has some impact on the true-up
7 calculation. My Exhibit CP-4 quantifies the impact of this refinement back to
8 October 1994, when FPL's combined cycle units at Lauderdale Plant first entered
9 the GPIF program.

10 **Q. If this change has affected combined cycle unit ANOHR heat rates in GPIF**
11 **since 1994, why was it not brought forward until this time?**

12 A. Because the GAF was applied to both the setting of targets and the determination of
13 rewards and penalties, its continued use appeared to remain consistent and
14 appropriate. However, when FPL began calculating the ANOHR targets for Turkey
15 Point Unit 5 as it became a new GPIF unit, we did not apply the GAF and realized
16 that the unit's heat rate appeared inconsistent with similar combined cycle units
17 already in the GPIF calculation. After further review, FPL concluded that the GAF
18 adjustment was not required in the case of either Turkey Point Unit 5 or the earlier
19 predominantly gas-fired combined cycle units.

20 **Q. What is the effect of this ANOHR calculation refinement on FPL's prior GPIF**
21 **rewards received during this timeframe?**

22 A. While the refinement occasionally results in an increase in FPL's GPIF reward, in
23 the majority of years it results in a decrease. For the affected timeframe of October

1 1994 through December 2009, FPL has calculated that the refinement results in a
2 net credit to customers in the amount of \$694,824, excluding interest.

3 **Q. How did FPL calculate the \$694,824 credit excluding interest for the period**
4 **October 1994 through December 2009?**

5 A. For the period 2000 through 2009, the GAF was removed from the GPIF unit heat
6 rate data and new ANOHR targets were developed utilizing the same methodology
7 that had been applied in those years to develop the original ANOHR targets and to
8 calculate rewards and penalties from actual results. For this ten year period, a credit
9 of \$455,623 excluding interest was calculated. From October 1994 through
10 December 1999, the original unit heat rate curves were not available to calculate
11 new ANOHR targets or the resulting rewards/penalties. As a proxy, FPL
12 determined that the average (mean) annual credit for the recent ten year (2000-
13 2009) period was \$45,562 and used this amount as the annual credit, excluding
14 interest, for calendar years 1995 through 1999. For the last quarter of 1994, FPL
15 applied 25% of the annual \$45,562 credit or \$11,391 excluding interest. Using the
16 mean value of the credit for 2000-2009 is conservative. The median credit for that
17 ten-year period is \$37,205, and the mean for the six-year period 2000 through 2005
18 (when the same four combined cycle units were in the GPIF mix as during the
19 1994-1999 period) was \$26,953.

20 **Q. Has FPL applied interest to these annual credits that it is proposing to refund**
21 **to customers?**

22 A. Yes.

23 **Q. How has FPL calculated the interest to be applied to those credits?**

1 A. FPL has calculated interest at the same commercial paper interest rates that were
2 used in our annual true-up filings for each of the years where customers received a
3 credit. For the two periods where FPL under-recovered its GPIF rewards, no
4 interest was applied. This resulted in total interest for the period 1994-2009 of
5 \$137,771. Adding this interest to the total credit of \$694,824 results in a total
6 amount to be refunded to customers of \$832,595 (Exhibit CP-4 provides an annual
7 breakdown of the calculated customer credit both with and without interest). This
8 refund amount is in addition to the GPIF fuel cost savings already provided to
9 customers over the years.

10 **Q. How is FPL planning to refund the \$832,595 credit to customers?**

11 A. FPL plans to refund the full amount of the \$832,595 credit as a reduction to the
12 2009 reward, from the \$8,948,495 that was identified in my April 1, 2010
13 testimony to a revised 2009 reward of \$8,115,900. FPL has included the revised
14 2009 reward in the calculation of its 2011 fuel cost recovery factors that will be
15 approved in this docket, thus ensuring that customers are promptly and fully
16 reimbursed.

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

18 A. Yes, it does.

DOCUMENT NO. 1

WITNESS: CARMINE A. PRIORE III

GENERATING PERFORMANCE INCENTIVE FACTOR

JANUARY THROUGH DECEMBER, 2011

SEPTEMBER 1, 2010

CP-2, DOCKET NO. 100001-EI
FPL Witness: Carmine A. Priore III
Exhibit No.: _____
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DOCUMENT NUMBER 1 INDEX**FLORIDA POWER & LIGHT COMPANY****JANUARY THROUGH DECEMBER, 2011**

<u>DOCUMENT</u>	<u>PAGE NUMBER</u>	<u>TITLE</u>
1	7.201.001	Index
	7.201.002 to 7.201.003	Generating Unit Selection Criteria
	7.201.004	GPIF Reward/(Penalty) Table (Estimated)
	7.201.005	GPIF calculation of Maximum Allowed Dollars (Estimated)
	7.201.006 and 7.201.007	GPIF Target and Range Summary
	7.201.008	GPIF Predicted Unit Heat Rates
	7.201.009	Derivation of Weighting Factors
	7.201.010	Estimated Unit Performance Data
	7.201.011 - 7.201.021	Unit FOF and MOF vs Time Graphs
	7.201.022	Planned Outages Schedule (Estimated)

Table 2.0
POWRSYM Projected System Generation
January Through December, 2011

<u>Name</u>	<u>Capacity (MW)</u>	<u>Service Hours</u>	<u>Net Output MWH</u>	<u>NOF %</u>	<u>% of Total Output</u>	<u>Cumulative % of Total Output</u>	<u>Production Cost (\$000)</u>
WEST COUNTY 1	1,267	8,625	8,896,252	77.3	8.9	8.9	329,064
WEST COUNTY 2	1,267	8,625	8,827,385	76.7	8.8	17.7	323,337
FT. MYERS 2	1,387	7,542	8,604,549	79.2	8.6	26.3	332,935
MANATEE 3	1,083	7,734	7,270,085	84.2	7.3	33.5	272,629
MARTIN 8	1,077	7,661	7,171,198	86.0	7.2	40.7	271,712
TURKEY POINT 5	1,078	7,712	7,098,714	82.8	7.1	47.8	266,471
TURKEY POINT 3	703	8,760	6,003,732	95.6	6.0	53.8	47,567
WEST COUNTY 3	1,267	5,101	5,276,111	77.5	5.3	59.0	194,581
TURKEY POINT 4	703	7,440	5,104,534	95.7	5.1	64.1	32,575
ST. LUCIE 1	855	6,120	5,083,527	85.2	5.1	69.2	32,853
SCHERER 4	629	7,872	4,834,876	97.2	4.8	74.0	111,834
SANFORD 4	926	5,625	4,745,005	88.3	4.7	78.8	184,654
ST. LUCIE 2	718	6,792	4,739,036	96.1	4.7	83.5	34,871
SANFORD 5	922	4,622	3,948,243	89.7	3.9	87.4	155,158
MARTIN 4	444	4,481	1,851,903	89.9	1.8	89.3	71,881
MARTIN 3	444	3,818	1,589,064	90.1	1.6	90.9	61,963
LAUDERDALE 5	442	3,225	1,292,168	89.6	1.3	92.2	58,284
MARTIN 2	805	1,829	1,108,431	75.0	1.1	93.3	87,474
LAUDERDALE 4	442	2,613	1,050,742	89.0	1.0	94.3	48,487
ST. JOHNS 2	124	8,760	1,026,034	94.5	1.0	95.3	31,669
ST. JOHNS 1	124	8,016	934,098	94.0	0.9	96.3	28,978
MARTIN 1	805	1,310	786,215	74.3	0.8	97.1	63,186
MANATEE 2	792	1,003	578,076	72.2	0.6	97.6	62,534
PUTNAM 1	243	2,635	576,625	88.2	0.6	98.2	29,181
TURKEY POINT 1	379	1,970	496,975	66.4	0.5	98.7	46,396
PUTNAM 2	243	2,247	489,945	87.9	0.5	99.2	24,542
MANATEE 1	792	676	358,962	66.5	0.4	99.6	38,967
FORT MYERS 3A_B	309	1,132	331,605	89.3	0.3	99.9	26,013
PT EVERGLADES 3	375	409	60,338	39.2	0.1	99.9	4,419
PT EVERGLADES 4	375	236	36,267	40.9	0.0	100.0	2,558
FORT MYERS 1-12	583	61	15,192	39.7	0.0	100.0	4,978
LAUDERDALE 1-24	718	17	3,923	30.1	0.0	100.0	422
EVERGLADES 1-12	359	2	607	79.2	0.0	100.0	59
TURKEY POINT 2	379	0	0	0.0	0.0	100.0	0
PT EVERGLADES 1	206	0	0	0.0	0.0	100.0	0
PT EVERGLADES 2	206	0	0	0.0	0.0	100.0	0
RIVIERA 3	274	0	0	0.0	0.0	100.0	0
RIVIERA 4	285	0	0	0.0	0.0	100.0	0
CAPE CANAVERAL 1	379	0	0	0.0	0.0	100.0	0
CAPE CANAVERAL 2	379	0	0	0.0	0.0	100.0	0
CUTLER 5	68	0	0	0.0	0.0	100.0	0
CUTLER 6	137	0	0	0.0	0.0	100.0	0
SANFORD 3	139	0	0	0.0	0.0	100.0	0
Total	25,130		100,190,417		100.0		3,282,232

**FLORIDA POWER & LIGHT COMPANY
UNITS TO BE USED TO DETERMINE THE
GENERATING PERFORMANCE INCENTIVE FACTOR**

JANUARY THROUGH DECEMBER, 2011

Ft. Myers 2

Manatee 3

Martin 8

Sanford 4

Sanford 5

Scherer 4

St. Lucie 1

St. Lucie 2

Turkey Point 3

Turkey Point 4

Turkey Point 5

GENERATING PERFORMANCE INCENTIVE FACTOR

REWARD/PENALTY TABLE (ESTIMATED)

FLORIDA POWER & LIGHT COMPANY
JANUARY THROUGH DECEMBER, 2011

Generating Performance Incentive Points (GPIF)	Fuel Savings/(Loss) (\$000)	Generating Performance Incentive Factor (\$000)
+ 10	111,080	39,609
+ 9	99,972	35,648
+ 8	88,864	31,687
+ 7	77,756	27,726
+ 6	66,648	23,765
+ 5	55,540	19,805
+ 4	44,432	15,844
+ 3	33,324	11,883
+ 2	22,216	7,922
+ 1	11,108	3,961
0	0	0
- 1	(11,108)	(3,961)
- 2	(22,216)	(7,922)
- 3	(33,324)	(11,883)
- 4	(44,432)	(15,844)
- 5	(55,540)	(19,805)
- 6	(66,648)	(23,765)
- 7	(77,756)	(27,726)
- 8	(88,864)	(31,687)
- 9	(99,972)	(35,648)
- 10	(111,080)	(39,609)

GENERATING PERFORMANCE INCENTIVE FACTOR

CALCULATION OF MAXIMUM ALLOWED INCENTIVE DOLLARS

ESTIMATED

FLORIDA POWER & LIGHT COMPANY
PERIOD OF: JANUARY THROUGH DECEMBER, 2011

LINE 1	BEGINNING OF PERIOD BALANCE OF COMMON EQUITY		\$	9,920,867,000
	END OF MONTH BALANCE OF COMMON EQUITY			
LINE 2	MONTH OF JANUARY	2011	\$	9,440,794,000
LINE 3	MONTH OF FEBRUARY	2011	\$	9,487,711,000
LINE 4	MONTH OF MARCH	2011	\$	9,552,720,000
LINE 5	MONTH OF APRIL	2011	\$	9,627,003,000
LINE 6	MONTH OF MAY	2011	\$	9,718,589,000
LINE 7	MONTH OF JUNE	2011	\$	9,842,140,000
LINE 8	MONTH OF JULY	2011	\$	9,964,909,000
LINE 9	MONTH OF AUGUST	2011	\$	10,102,144,000
LINE 10	MONTH OF SEPTEMBER	2011	\$	10,228,092,000
LINE 11	MONTH OF OCTOBER	2011	\$	10,331,151,000
LINE 12	MONTH OF NOVEMBER	2011	\$	10,405,786,000
LINE 13	MONTH OF DECEMBER	2011	\$	10,461,624,000
LINE 14	AVERAGE COMMON EQUITY FOR THE PERIOD (SUMMATION OF LINE 1 THROUGH LINE 13 DIVIDED BY 13)		\$	9,929,502,000
LINE 15	25 BASIS POINTS			0.0025
LINE 16	REVENUE EXPANSION FACTOR			61.3808%
LINE 17	MAXIMUM ALLOWED INCENTIVE DOLLARS (LINE 14 TIMES LINE 15 DIVIDED BY LINE 16)		\$	40,442,215
LINE 18	JURISDICTIONAL SALES			102,071,217,000 KWH
LINE 19	TOTAL SALES			104,215,866,000 KWH
LINE 20	JURISDICTIONAL SEPARATION FACTOR (LINE 18 DIVIDED BY LINE 19)			97.94%
LINE 21	MAXIMUM ALLOWED JURISDICTIONAL INCENTIVE DOLLARS		\$	39,609,105

GPIF TARGET AND RANGE SUMMARY

FLORIDA POWER & LIGHT COMPANY
PERIOD OF: JANUARY THROUGH DECEMBER, 2011

<u>Plant / Unit</u>	<u>Weighting Factor (%)</u>	<u>EAF Target (%)</u>	<u>EAF Range</u>		<u>Max. Fuel Savings (\$000's)</u>	<u>Max. Fuel Loss (\$000's)</u>
			<u>Max. (%)</u>	<u>Min. (%)</u>		
Ft. Myers 2	5.44	84.0	86.5	81.5	6,041	-6,041
Martin 8	4.49	81.3	83.8	78.8	4,984	-4,984
Manatee 3	4.64	84.9	87.4	82.4	5,153	-5,153
Sanford 4	2.99	93.7	95.7	91.7	3,327	-3,327
Sanford 5	2.94	94.4	96.4	92.4	3,263	-3,263
Scherer 4	3.19	85.9	87.9	83.9	3,547	-3,547
St. Lucie 1	7.20	63.5	66.5	60.5	7,993	-7,993
St. Lucie 2	8.35	66.8	70.3	63.3	9,275	-9,275
Turkey Point 3	8.60	93.2	96.2	90.2	9,557	-9,557
Turkey Point 4	7.64	78.5	81.5	75.5	8,492	-8,492
Turkey Point 5	3.74	90.7	92.7	88.7	4,152	-4,152
	<u>59.22</u>				<u>65,784</u>	<u>-65,784</u>

GPIF TARGET AND RANGE SUMMARY

FLORIDA POWER & LIGHT COMPANY
 PERIOD OF: JANUARY THROUGH DECEMBER, 2011

<u>Plant / Unit</u>	<u>Weighting Factor (%)</u>	<u>ANOHR TARGET</u>		<u>ANOHR RANGE</u>		<u>Max. Fuel Savings</u>	<u>Max. Fuel Loss</u>
		<u>BTU/KWH</u>	<u>NOF</u>	<u>BTU/KWH</u>	<u>BTU/KWH</u>	<u>(\$000's)</u>	<u>(\$000's)</u>
Ft. Myers 2	4.40	7,225	79.2	7,119	7,331	4,885	-4,885
Martin 8	5.62	7,091	86.0	6,928	7,254	6,246	-6,246
Manatee 3	7.27	6,991	84.2	6,784	7,198	8,072	-8,072
Sanford 4	2.26	7,273	88.3	7,174	7,372	2,514	-2,514
Sanford 5	1.74	7,240	89.7	7,150	7,330	1,929	-1,929
Scherer 4	3.06	10,030	97.2	9,725	10,335	3,401	-3,401
St. Lucie 1	1.79	11,348	85.2	11,266	11,430	1,988	-1,988
St. Lucie 2	1.95	10,822	96.1	10,732	10,912	2,171	-2,171
Turkey Point 3	3.57	11,608	95.6	11,467	11,749	3,964	-3,964
Turkey Point 4	4.30	11,495	95.7	11,304	11,686	4,772	-4,772
Turkey Point 5	4.82	7,017	82.8	6,876	7,158	5,354	-5,354
	<u>40.78</u>					<u>45,296</u>	<u>-45,296</u>

PROJECTED UNIT HEAT RATE EQUATIONS
 FLORIDA POWER & LIGHT COMPANY
 PERIOD OF: JANUARY THROUGH DECEMBER, 2011

Plant/Unit	ANOHR	NOE	MW	ANOHR Equation		Bounds	First	Last	Exclusions
				a.coef.	b.coef.				
Ft. Myers 2	7,225	79.2	1387	7416	-2.41	106	07-07	06-10	5/10
Martin 8	7,091	86.0	1077	7530	-5.11	163	07-07	06-10	11/07, 2/08, 12/08, 10/09
Manatee 3	6,991	84.2	1083	7782	-9.40	207	07-07	06-10	7/07, 9/07, 11/07, 1/08, 5/08, 12/08-2/09, 11/09-2/10, 4/10
Sanford 4	7,273	88.3	926	7945	-7.61	99	07-07	06-10	7/07, 1/10
Sanford 5	7,240	89.7	922	8047	-9.00	90	07-07	06-10	4/08, 10/08
Scherer 4	10,030	97.2	629	10813	-8.06	305	07-07	06-10	3/08, 5/09, 2/10, 3/10
St. Lucie 1	11,348	85.2	855	14459	-36.51	82	07-07	06-10	11/08, 4/10, 5/10, 6/10
St. Lucie 2	10,822	96.1	718	12559	-18.07	90	07-07	06-10	7/07-12/07, 5/09
Turkey Point 3	11,608	95.6	703	20043	-88.23	141	07-07	06-10	9/07, 10/07, 4/09, 5/09
Turkey Point 4	11,495	95.7	703	18799	-76.32	191	07-07	06-10	4/08, 5/08, 5/09, 11/09
Turkey Point 5	7,017	82.8	1078	7949	-11.26	141	07-07	06-10	

DERIVATION OF WEIGHT FACTORS

FLORIDA POWER & LIGHT COMPANY
PERIOD OF: JANUARY THROUGH DECEMBER, 2011

PRODUCTION COSTING SIMULATION
FUEL COST (\$000)

Unit	Performance Indicator	At Target (1)	At Maximum Improvement (2)	Savings (3)	Factor (% Of Savings)
Ft. Myers 2	EAF	3,282,232	3,276,191	6,041	5.44
Ft. Myers 2	ANOHR	3,282,232	3,277,347	4,885	4.40
Martin 8	EAF	3,282,232	3,277,248	4,984	4.49
Martin 8	ANOHR	3,282,232	3,275,986	6,246	5.62
Manatee 3	EAF	3,282,232	3,277,079	5,153	4.64
Manatee 3	ANOHR	3,282,232	3,274,160	8,072	7.27
Sanford 4	EAF	3,282,232	3,278,905	3,327	2.99
Sanford 4	ANOHR	3,282,232	3,279,718	2,514	2.26
Sanford 5	EAF	3,282,232	3,278,969	3,263	2.94
Sanford 5	ANOHR	3,282,232	3,280,303	1,929	1.74
Scherer 4	EAF	3,282,232	3,278,685	3,547	3.19
Scherer 4	ANOHR	3,282,232	3,278,831	3,401	3.06
St. Lucie 1	EAF	3,282,232	3,274,239	7,993	7.20
St. Lucie 1	ANOHR	3,282,232	3,280,244	1,988	1.79
St. Lucie 2	EAF	3,282,232	3,272,957	9,275	8.35
St. Lucie 2	ANOHR	3,282,232	3,280,061	2,171	1.95
Turkey Point 3	EAF	3,282,232	3,272,675	9,557	8.60
Turkey Point 3	ANOHR	3,282,232	3,278,268	3,964	3.57
Turkey Point 4	EAF	3,282,232	3,273,740	8,492	7.64
Turkey Point 4	ANOHR	3,282,232	3,277,460	4,772	4.30
Turkey Point 5	EAF	3,282,232	3,278,080	4,152	3.74
Turkey Point 5	ANOHR	3,282,232	3,276,878	5,354	4.82
TOTAL				111,080	100.00

(1) FUEL ADJUSTMENT - ALL UNITS PERFORMANCE AT TARGET

(2) ALL OTHER UNITS PERFORMANCE AT TARGET

(3) EXPRESSED IN REPLACEMENT ENERGY COSTS.

ESTIMATED UNIT PERFORMANCE DATA
 FLORIDA POWER & LIGHT COMPANY
 PERIOD OF: JANUARY THROUGH DECEMBER, 2011

<u>Plant/Unit</u>	<u>EAF</u>	<u>EPOF</u>	<u>EUOF</u>	<u>PH</u>	<u>SH</u>	<u>RSH</u>	<u>UH</u>	<u>EPOH</u>	<u>EFOH</u>	<u>EMOH</u>	<u>NET GEN</u>
Ft. Myers 2	84.0	9.4	6.6	8760	7359	0	1401	823	175	403	8,604,549
Martin 8	81.3	11.1	7.6	8760	7122	0	1638	972	175	491	7,171,198
Manatee 3	84.9	10.0	5.1	8760	7437	0	1323	876	175	272	7,270,085
Sanford 4	93.7	1.9	4.4	8760	5625	2584	551	166	175	210	4,745,005
Sanford 5	94.4	1.9	3.7	8760	4622	3648	490	166	175	149	3,948,243
Scherer 4	85.9	10.1	4.0	8760	7525	0	1235	885	175	175	4,834,876
St. Lucie 1	63.5	30.1	6.4	8760	5560	0	3200	2640	280	280	5,083,527
St. Lucie 2	66.8	22.5	10.7	8760	5855	0	2905	1968	657	280	4,739,036
Turkey Point 3	93.2	0.0	6.8	8760	8165	0	595	0	315	280	6,003,732
Turkey Point 4	78.5	15.1	6.4	8760	6880	0	1880	1320	280	280	5,104,534
Turkey Point 5	90.7	4.0	5.3	8760	7712	233	815	350	237	228	7,098,714

EPOF = equivalent planned outage factor. $EPOF = (EPOH/PH) * 100$

EUOF = equivalent unavailable outage factor. $EUOF = ((EFOH + EMOH)/PH) * 100$

PH = period hours

SH = service hours

RSH = reserve shutdown

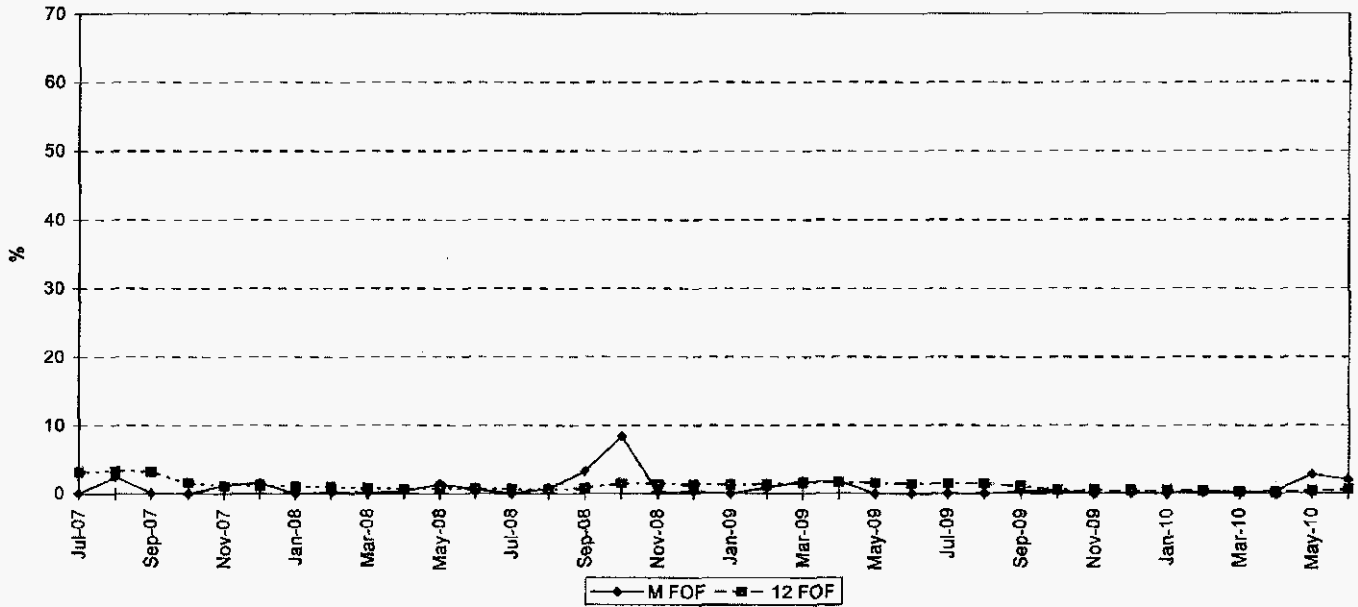
UH = unavailable hours. $UH = PH - SH - RSH$

EPOH = equivalent planned outage hours

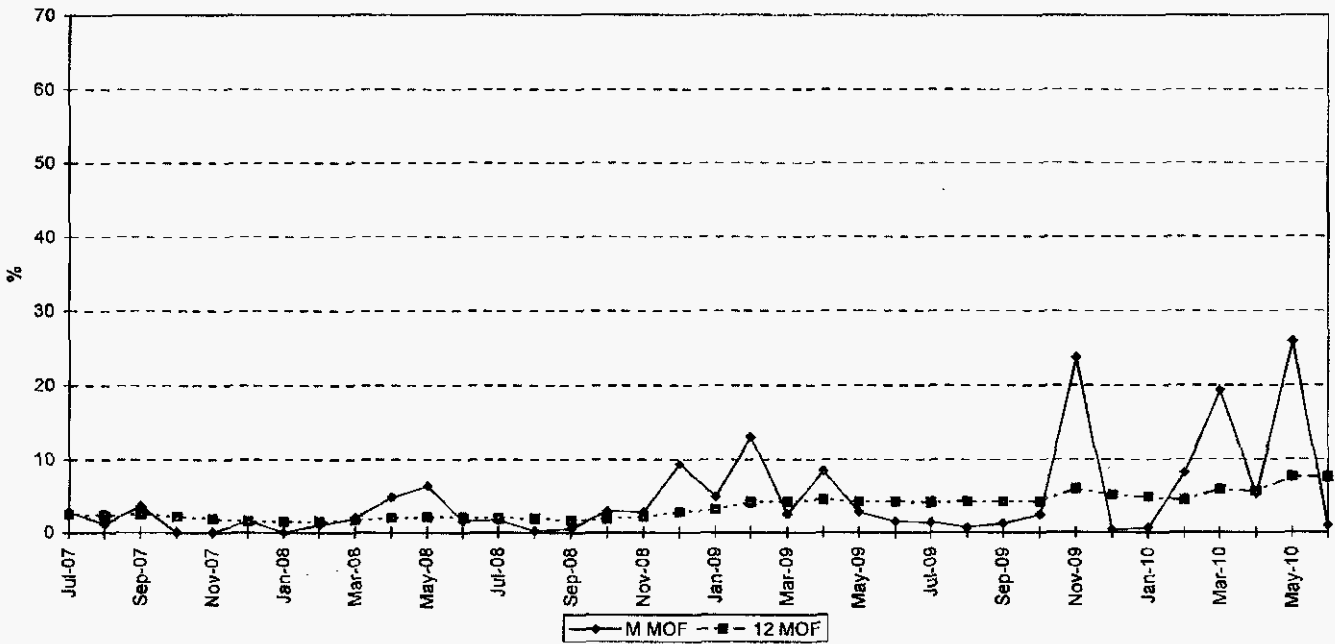
EFOH = equivalent forced outage hours

EMOH = equivalent maintenance outage hours

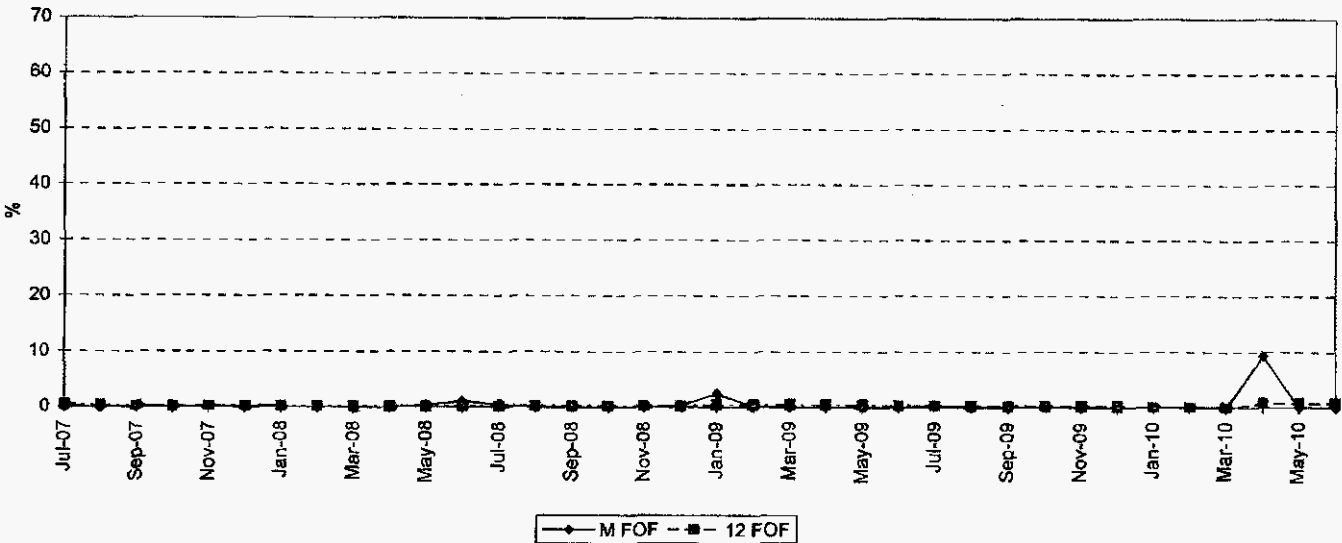
PFM 2 FORCED OUTAGE FACTOR



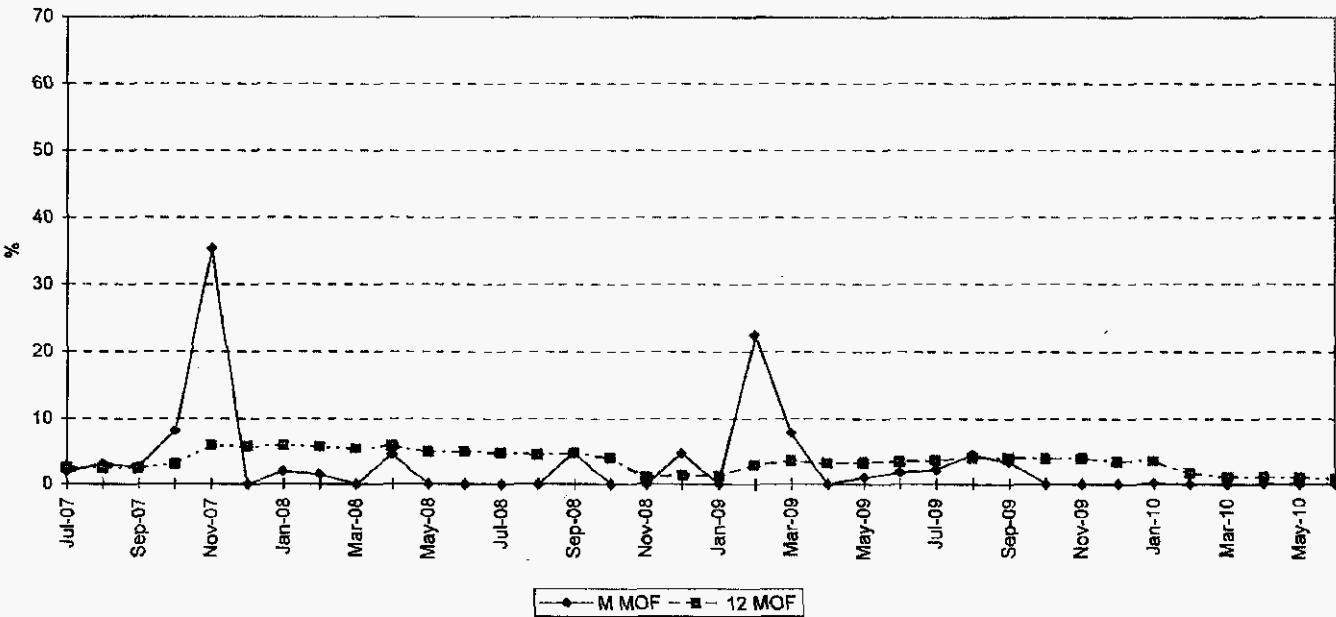
MAINTENANCE OUTAGE FACTOR



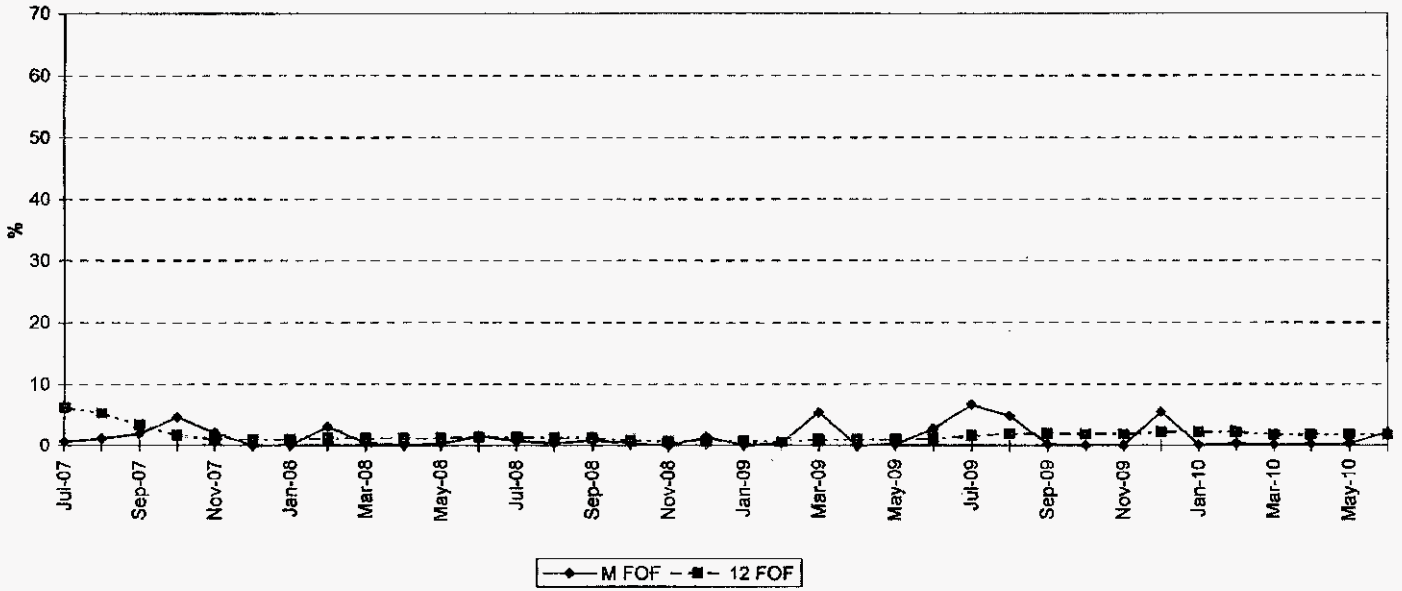
PMT 3 FORCED OUTAGE FACTOR



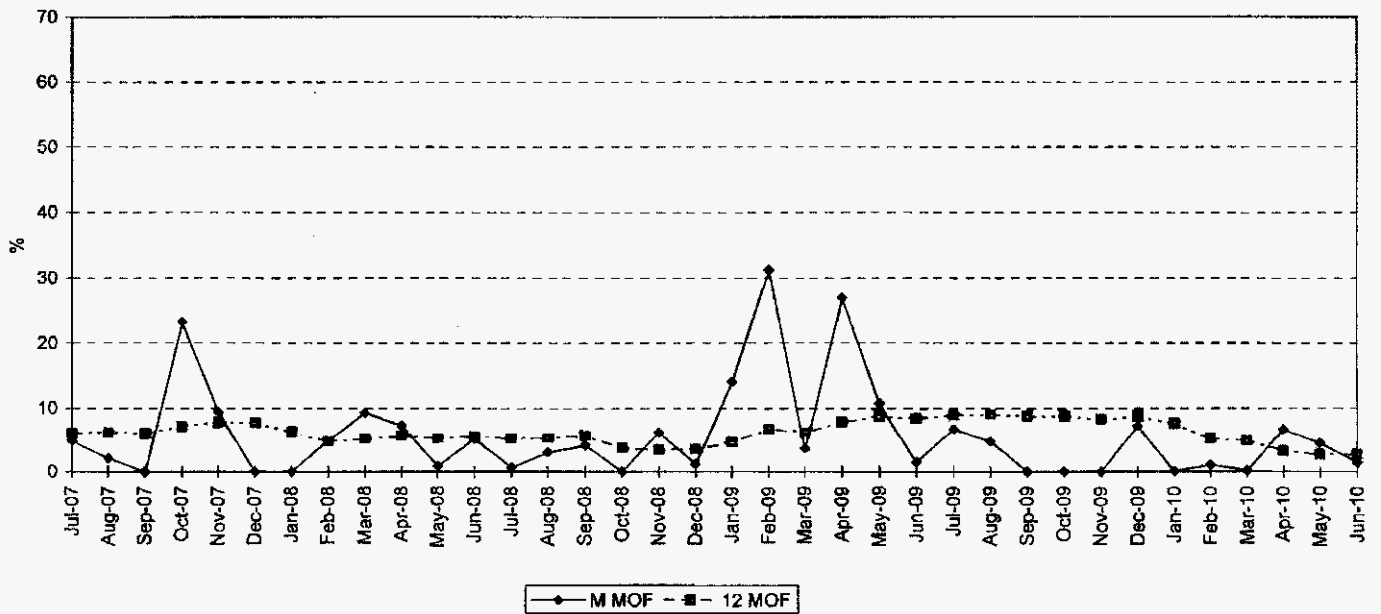
MAINTENANCE OUTAGE FACTOR



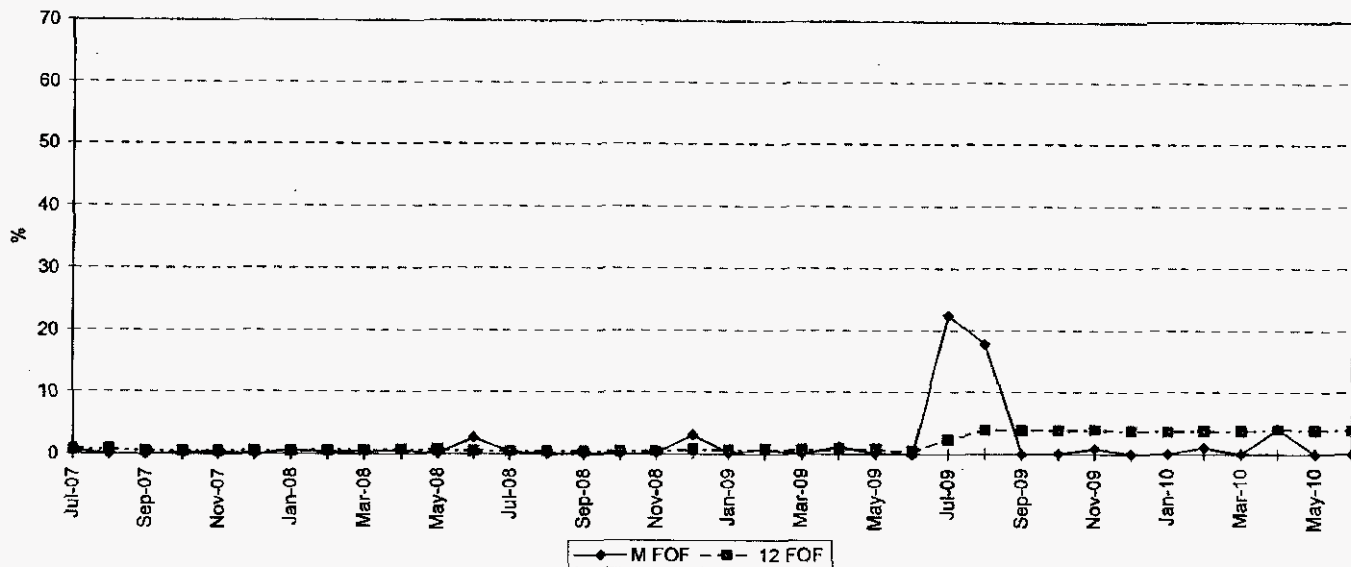
PMR 8 FORCED OUTAGE FACTOR



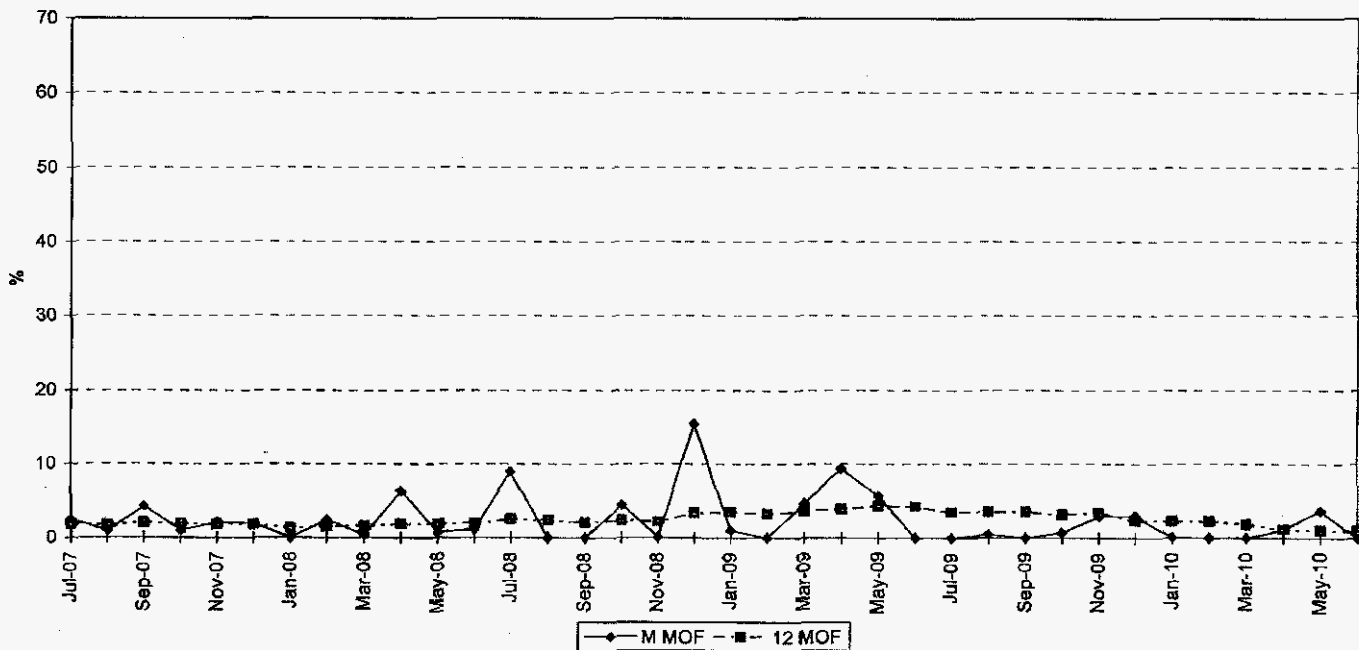
MAINTENANCE OUTAGE FACTOR



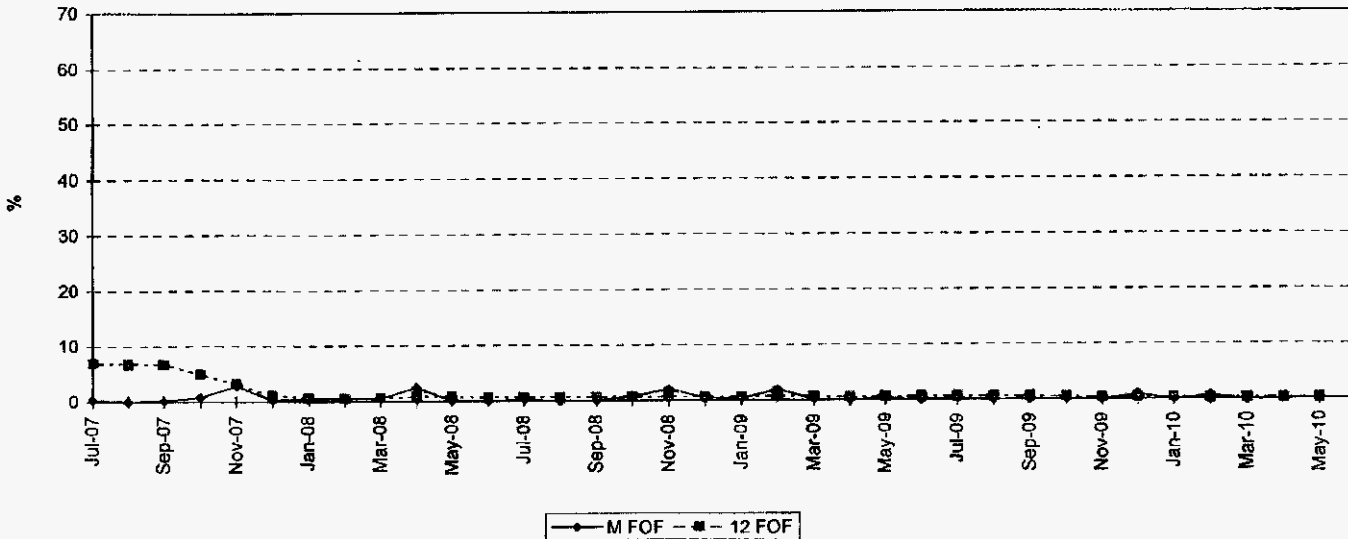
PSN 4 FORCED OUTAGE FACTOR



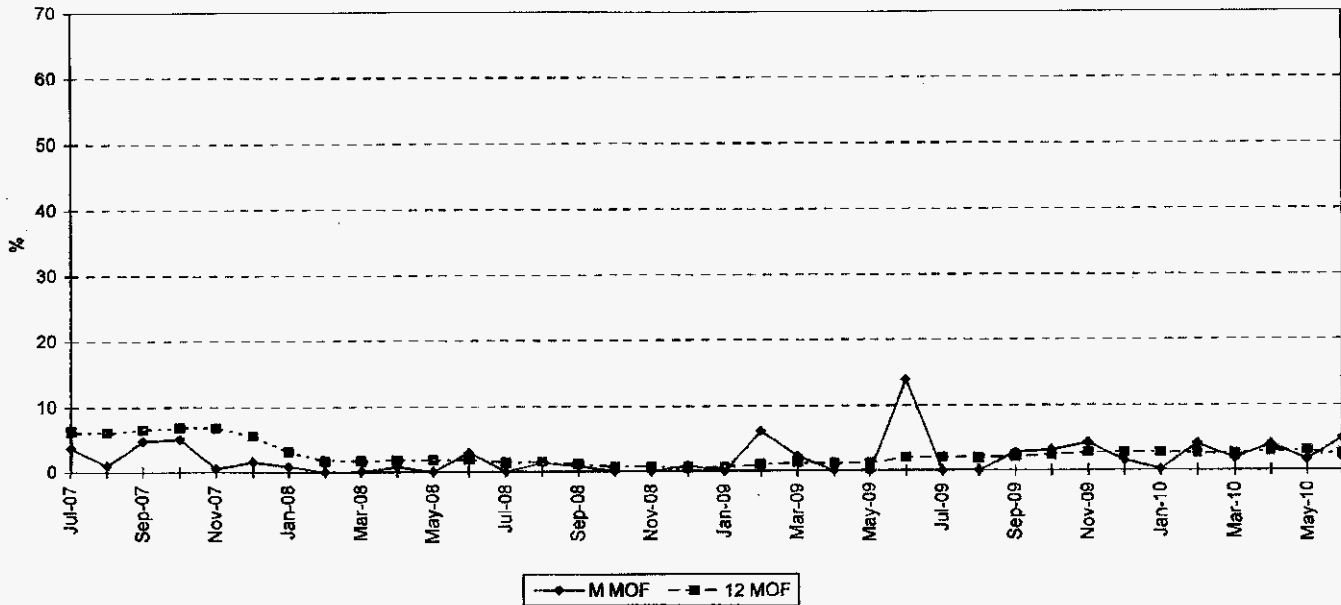
MAINTENANCE OUTAGE FACTOR



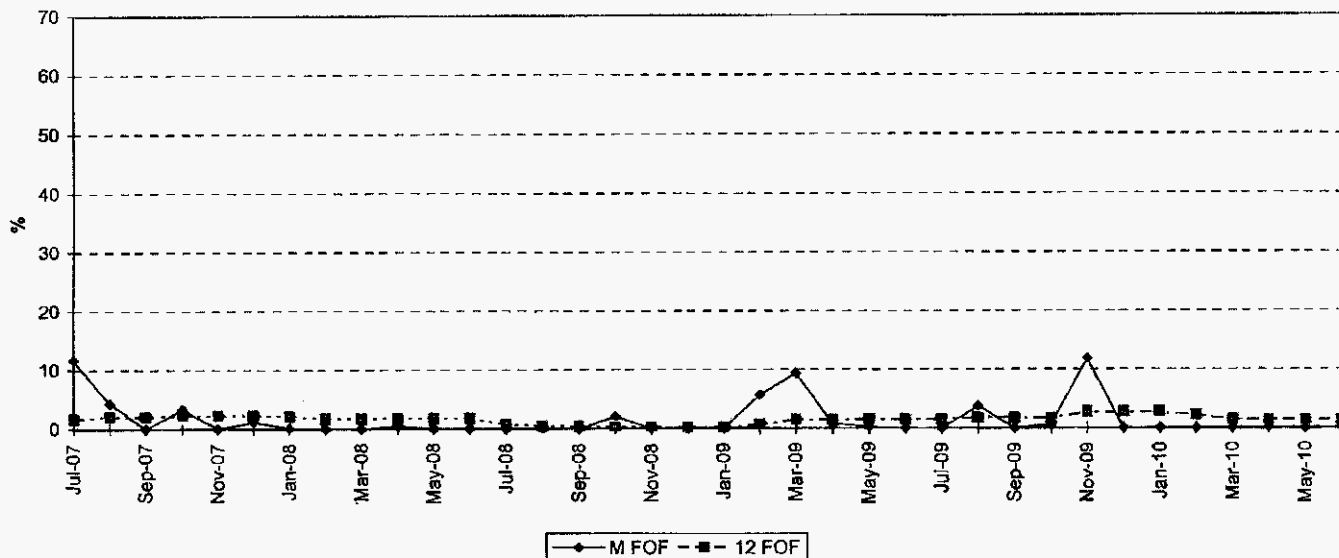
PSN 5 FORCED OUTAGE FACTOR



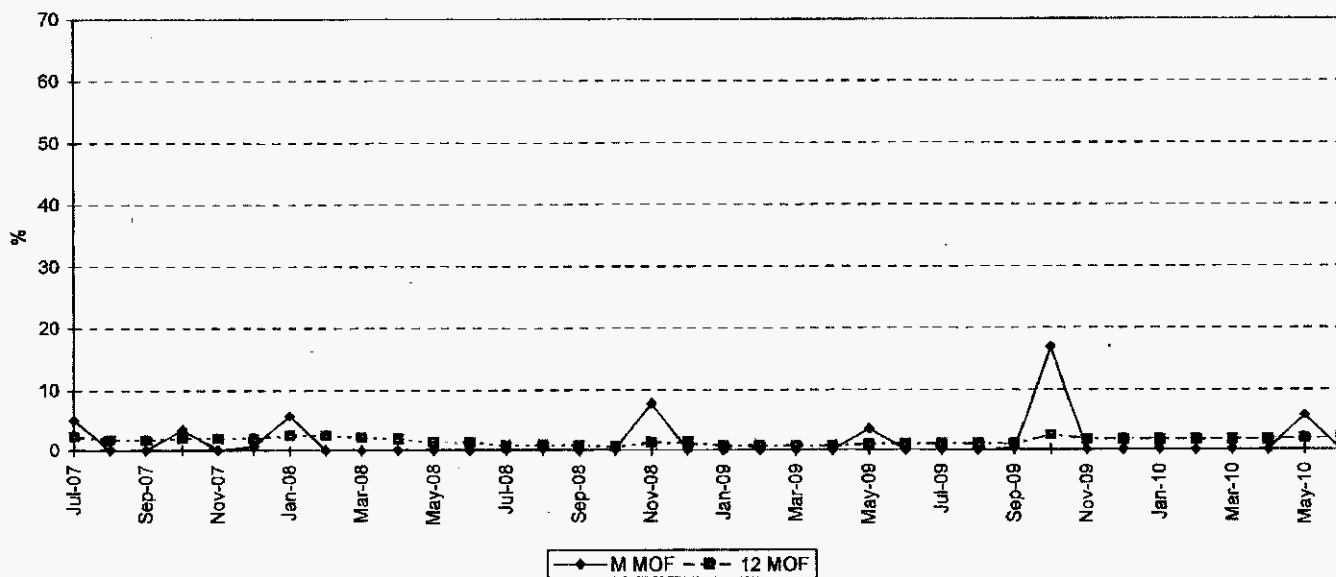
MAINTENANCE OUTAGE FACTOR



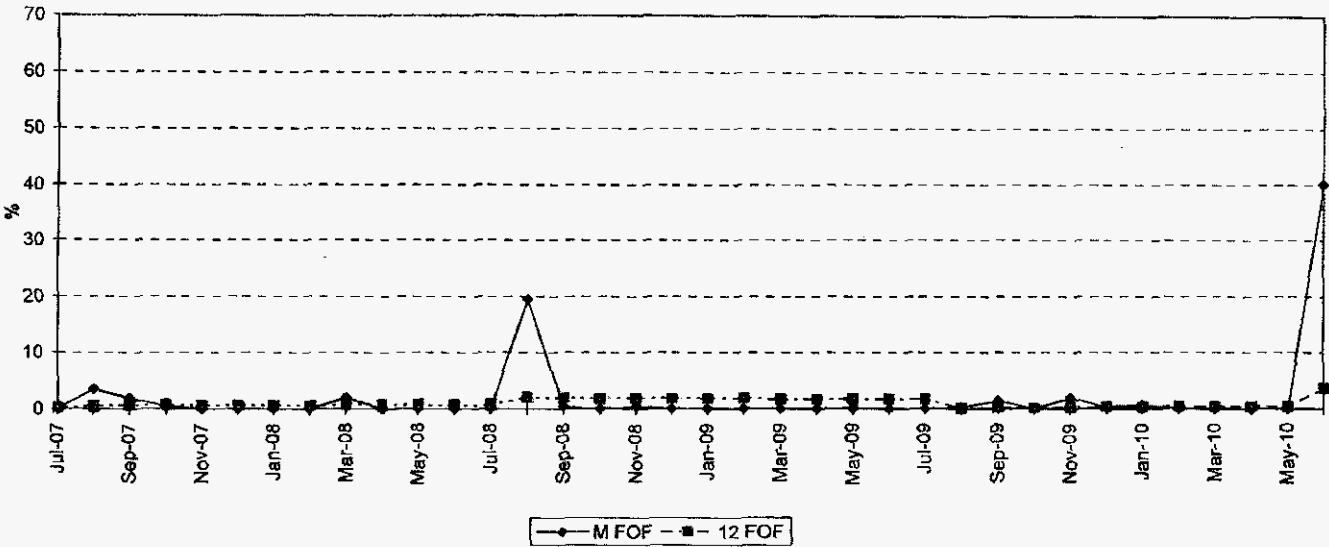
PSG 4 FORCED OUTAGE FACTOR



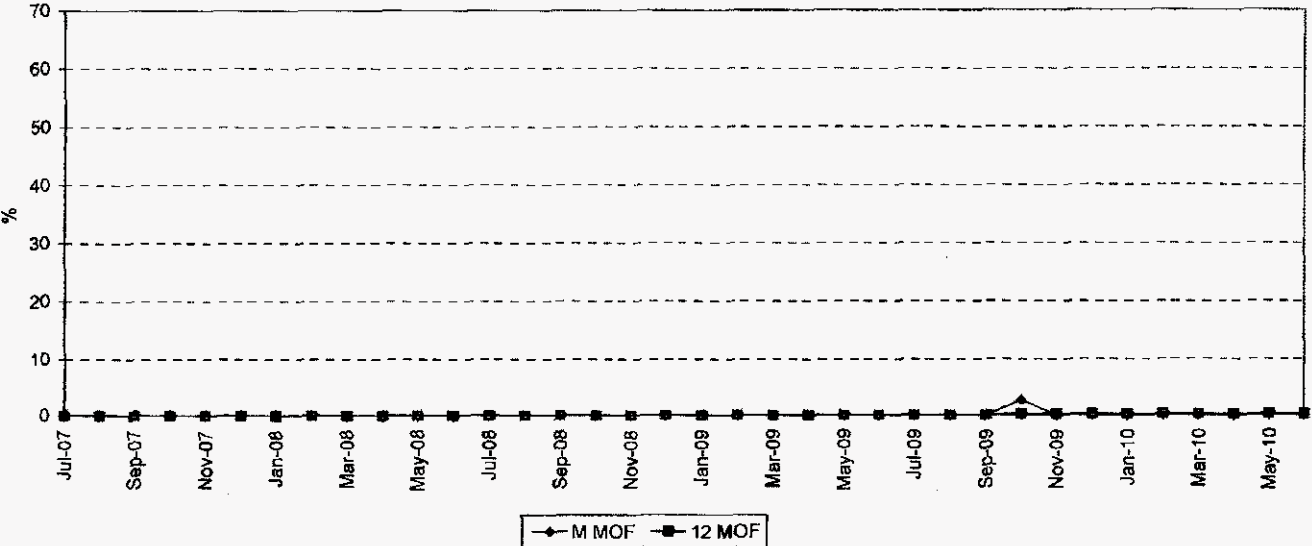
MAINTENANCE OUTAGE FACTOR



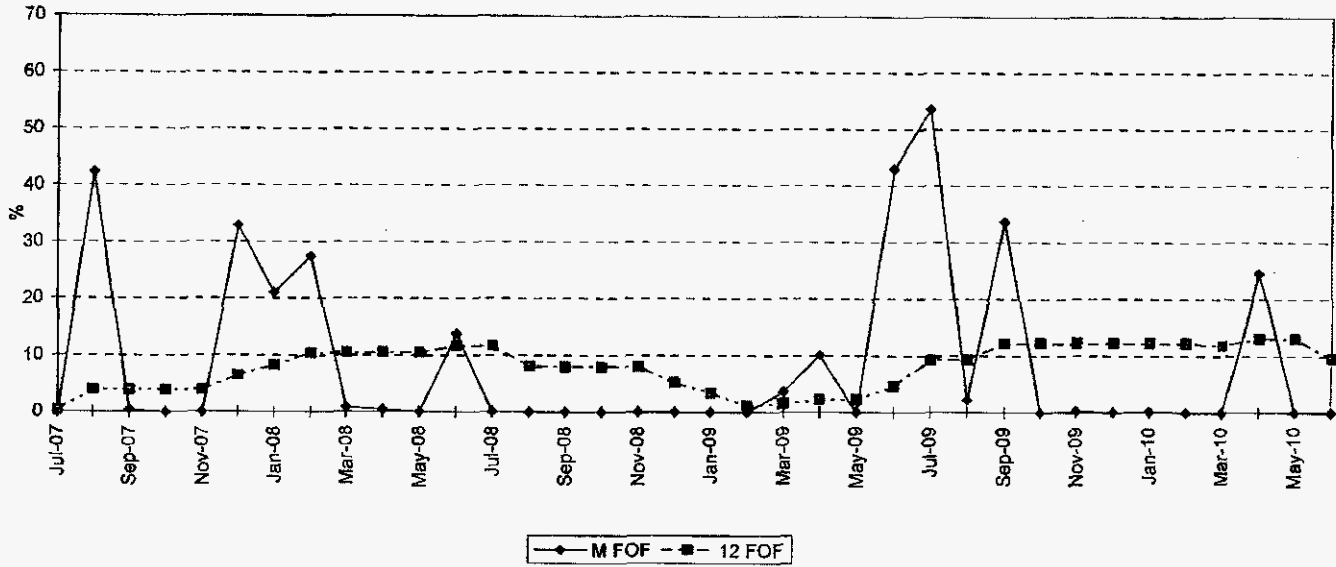
PSL 1 FORCED OUTAGE FACTOR



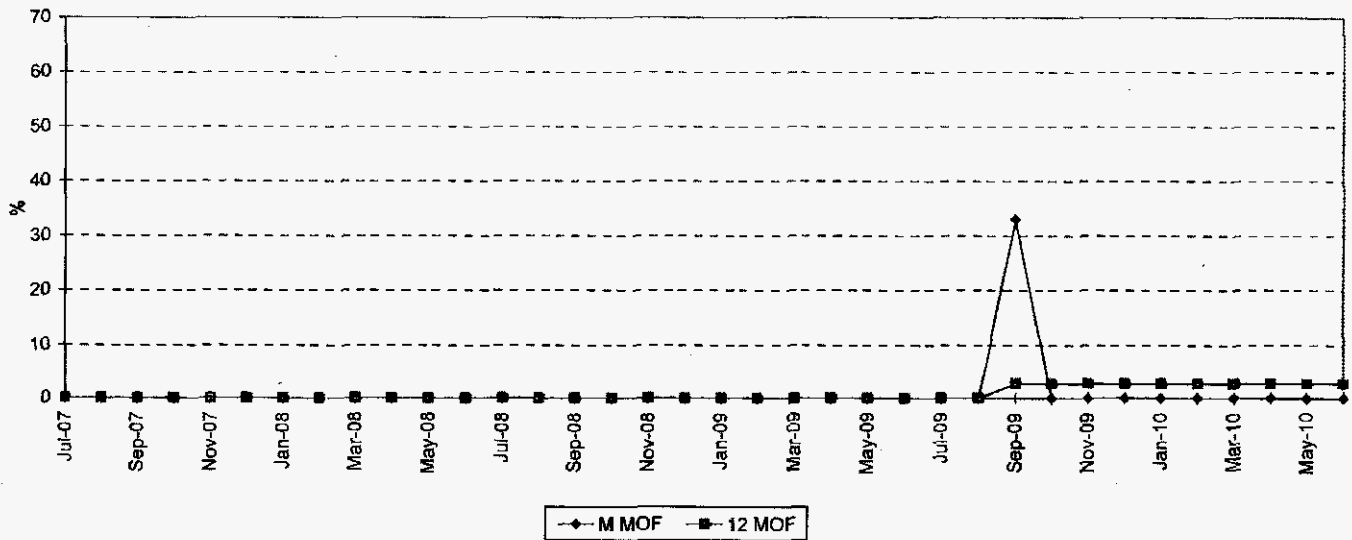
MAINTENANCE OUTAGE FACTOR



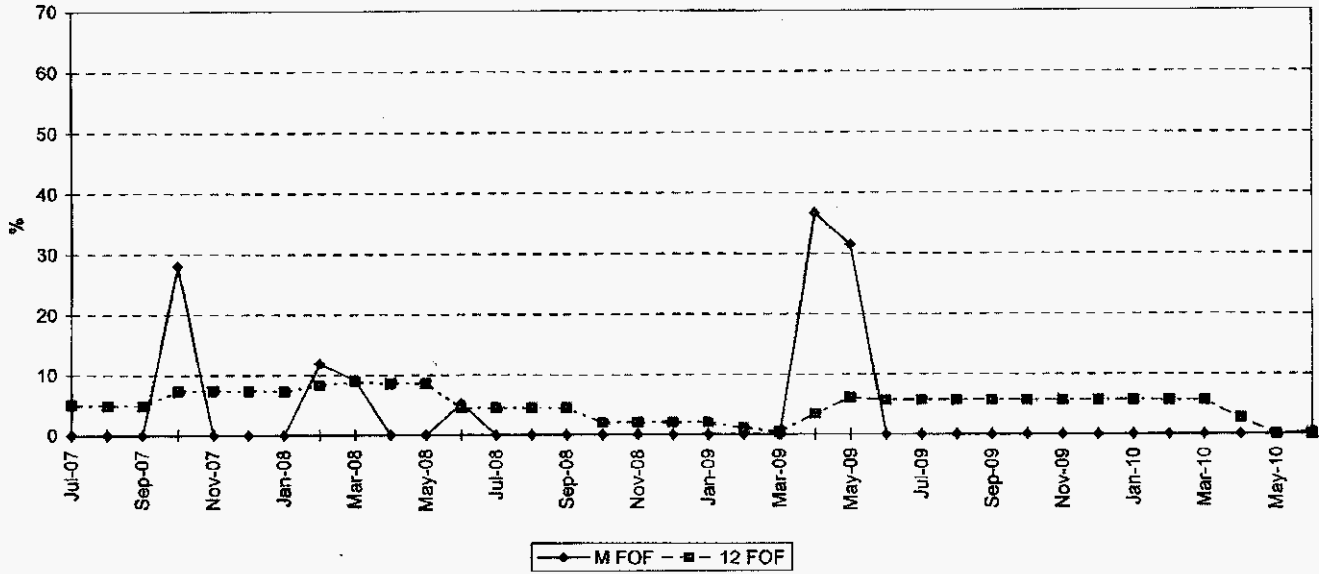
PSL 2 FORCED OUTAGE FACTOR



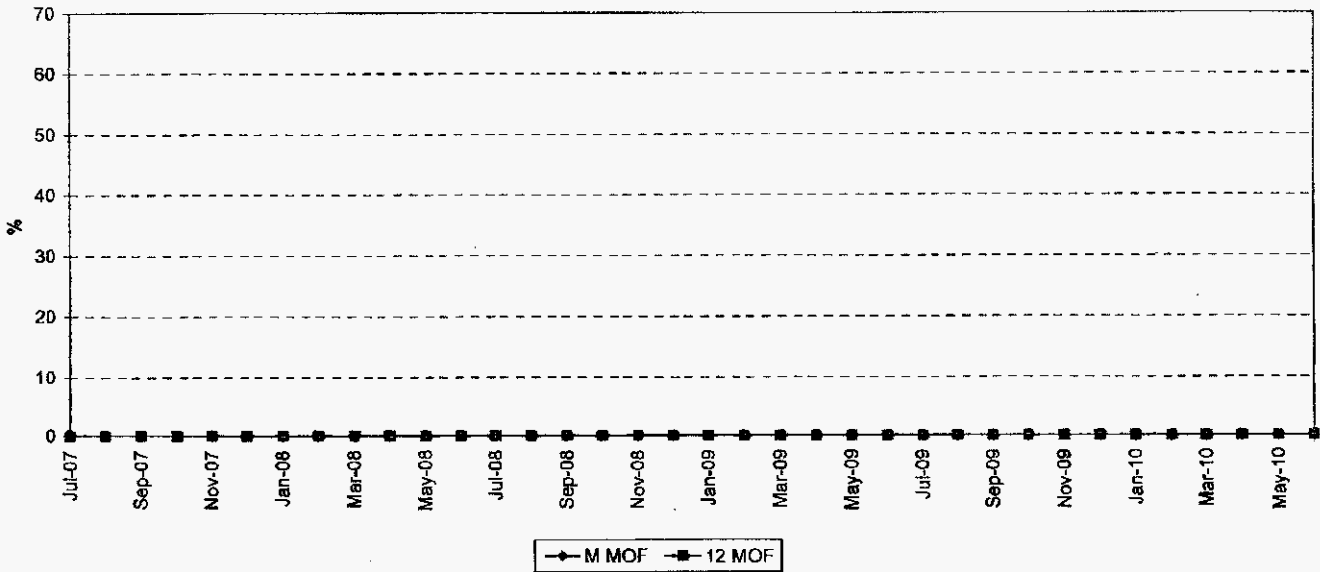
MAINTENANCE OUTAGE FACTOR



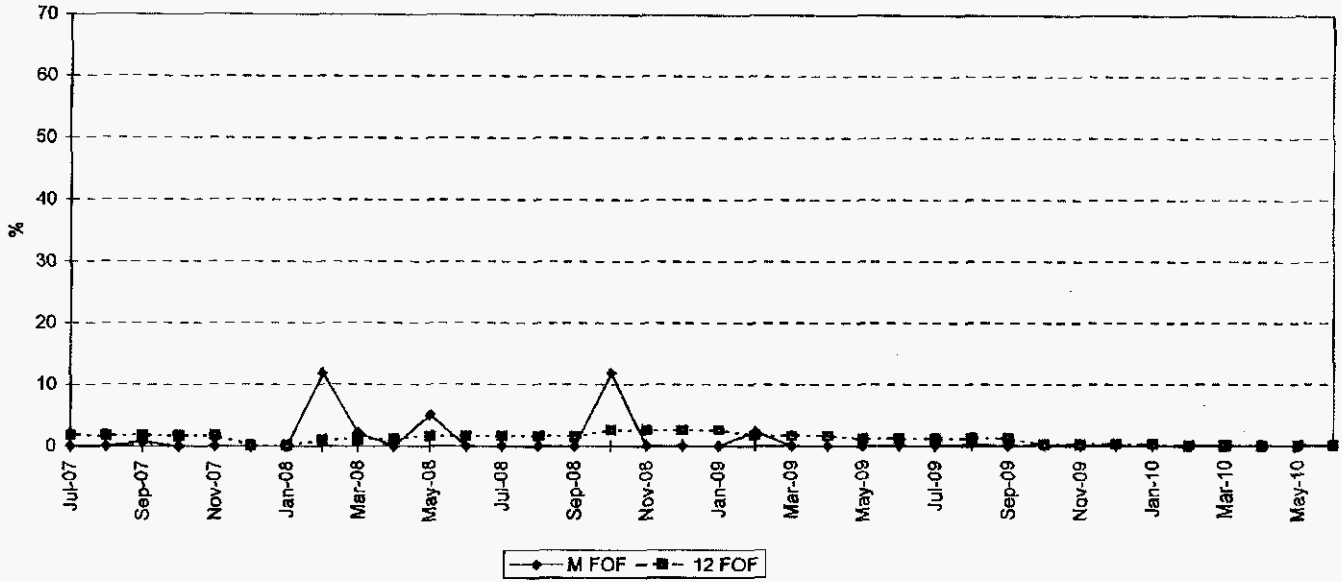
PTN 3 FORCED OUTAGE FACTOR



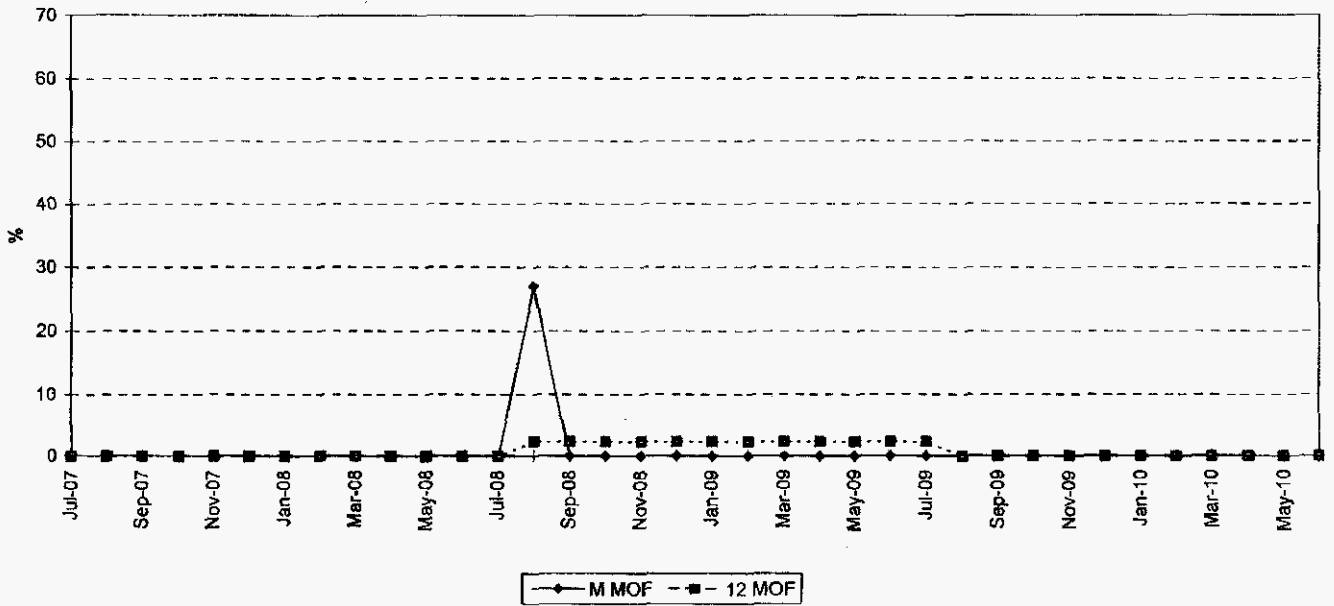
MAINTENANCE OUTAGE FACTOR



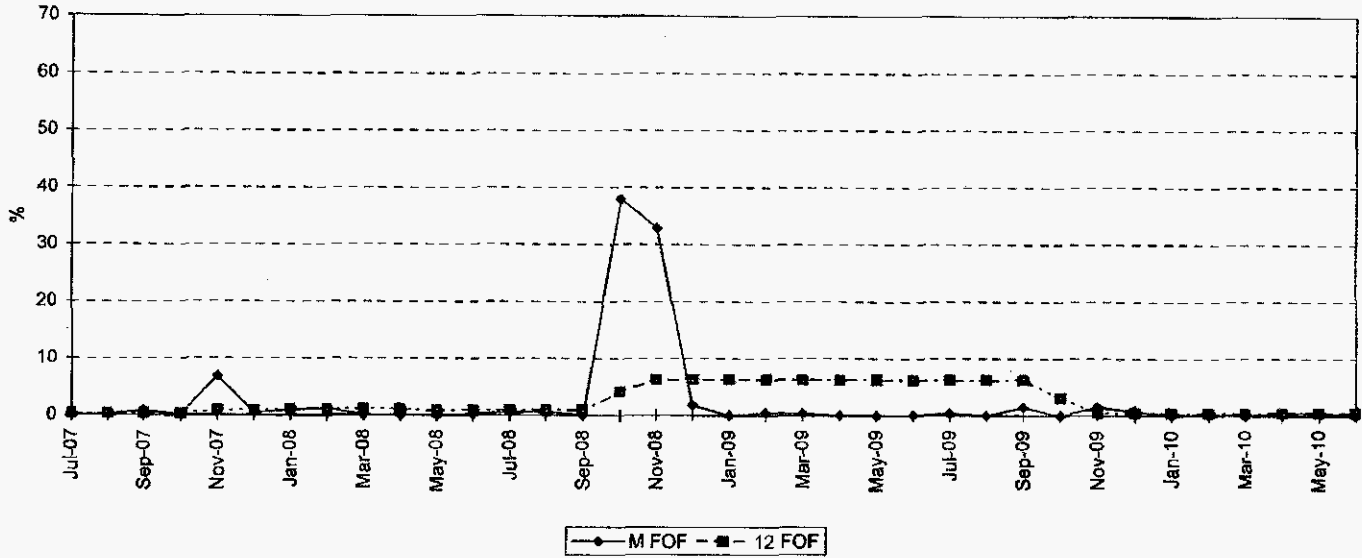
PTN 4 FORCED OUTAGE FACTOR



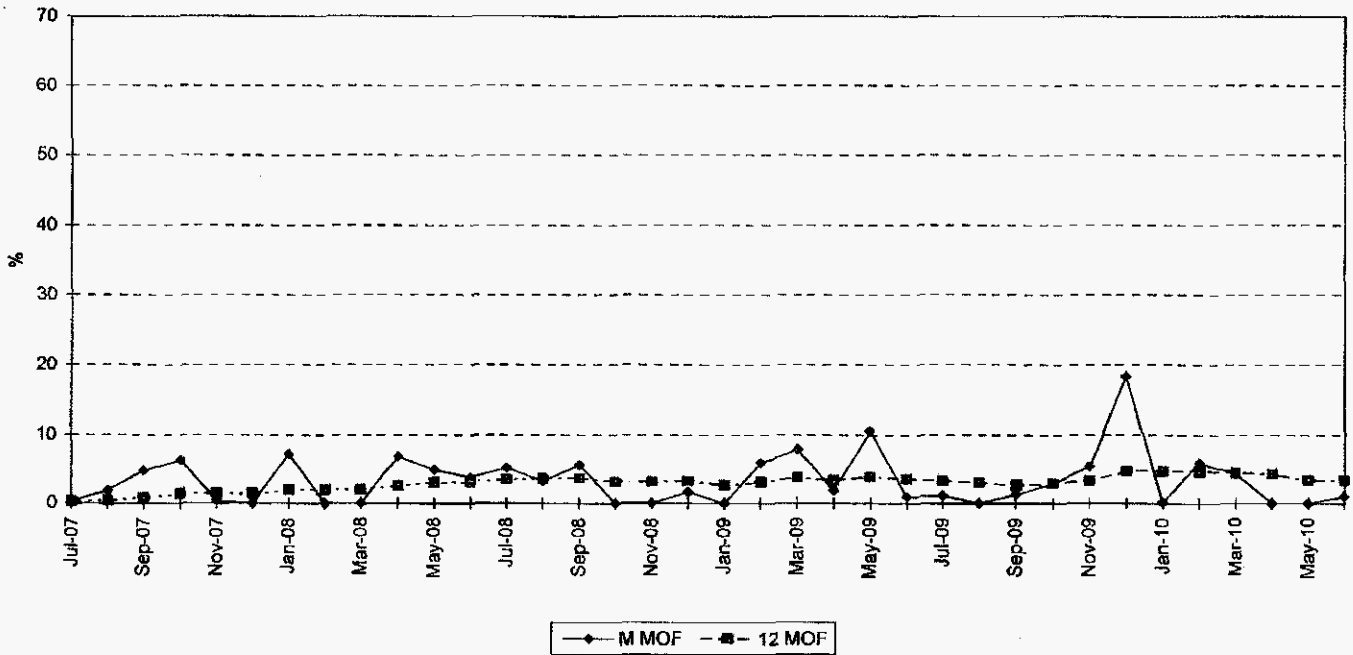
MAINTENANCE OUTAGE FACTOR



PTF 5 FORCED OUTAGE FACTOR



MAINTENANCE OUTAGE FACTOR



PLANNED OUTAGE SCHEDULE (ESTIMATED)

FLORIDA POWER & LIGHT COMPANY

PERIOD OF: JANUARY THROUGH DECEMBER, 2011

PLANT/UNIT	PLAN OUTAGE	REASON FOR OUTAGE	LR MW*
Ft. Myers 2	04/02/2011 - 06/10/2011	ST2 LP TURBINE / P91 REPLACEMENT / LATERALS / LP EVAP - 36.4% CURT	517
Ft. Myers 2	04/02/2011 - 04/15/2011	CT 2E & 2F HOT GAS PATH, HRSG INSP - 21% CURT	301
Ft. Myers 2	04/16/2011 - 04/29/2011	CT 2A & 2B HOT GAS PATH - 21% CURT	301
Ft. Myers 2	05/28/2011 - 06/10/2011	CT 2C & 2D HOT GAS PATH, HRSG INSP - 21% CURT	301
Manatee 3	01/08/2011 - 02/02/2011	CT 3A & 3C S0-S5 FF - MAJOR CT/HRSG, MN GEN, STV., MNST-50% CURT	559
Manatee 3	02/03/2011 - 02/23/2011	GENERATOR INSP / TURBINE VALVES - 100% CURT	1117
Manatee 3	02/03/2011 - 02/28/2011	CT 3B & 3D S0-S5 FF - MAJOR CT/HRSG, MN GEN, STV., MNST-50% CURT	559
Martin 8	04/23/2011 - 05/13/2011	ST GEN INSP, TURBINE VALVES - 100% CURT & CT 8B HRSG INSP	1110
Martin 8	10/29/2011 - 11/23/2011	CT 8A REPL ROTOR / HGP, MINOR HRSG - 25% CURT	278
Martin 8	11/26/2011 - 12/21/2011	CT 8C & 8D CT AND HRSG MAJOR, MIN GEN, ST VALVES-50% CURT	556
Sanford 4	02/19/2011 - 02/25/2011	CT 4A HRSG INSP - 25% CURT	240
Sanford 4	02/26/2011 - 03/04/2011	CT 4B HRSG INSP - 25% CURT	240
Sanford 4	03/05/2011 - 03/11/2011	CT 4C HRSG INSP - 25% CURT	240
Sanford 4	03/12/2011 - 03/18/2011	CT 4D HRSG INSP - 25% CURT	240
Sanford 5	06/11/2011 - 06/17/2011	CT 5A HRSG INSP - 25% CURT	239
Sanford 5	06/18/2011 - 06/24/2011	CT 5B HRSG INSP - 25% CURT	239
Sanford 5	06/25/2011 - 07/01/2011	CT 5C HRSG INSP - 25% CURT	239
Sanford 5	08/27/2011 - 09/02/2011	CT 5D HRSG INSP - 25% CURT	239
Scherer 4	06/07/2011 - 07/13/2011	TURBINE UPGRADE	636
St. Lucie 1	08/29/2011 - 12/17/2011	REFUELING. Outage increased to 110 days due to EPU modifications	839
St. Lucie 2	01/03/2011 - 03/26/2011	REFUELING. Outgate increased to 82 days due to EPU modifications	726
Turkey Point 3	NONE		
Turkey Point 4	03/19/2011 - 05/13/2011	REFUELING. Outgate increased to 55 days due to EPU modifications	693
Turkey Point 5	03/05/2011 - 03/11/2011	CT 5B HRSG INSP - 25% CURT	279
Turkey Point 5	03/25/2011 - 04/07/2011	CT 5C & 5D CONSECUTIVE 7-DAY HRSG INSP - 25% CURT	279
Turkey Point 5	07/10/2011 - 07/10/2011	CT 5A HRSG INSP / RAINBOW INSP DUE JULY2011 - 25% CURT	289
Turkey Point 5	11/28/2011 - 12/04/2011	CT 5A, 5B, 5C & 5D CT FILTER REPLACEMENT - 100% CURT	1116

*Load Reduction MW are based on the unit's MW rating during the specified outage period

DOCUMENT NO. 1

WITNESS: CARMINE A. PRIORE III

GENERATING PERFORMANCE INCENTIVE FACTOR

JANUARY THROUGH DECEMBER, 2010

REVISED

SEPTEMBER 1, 2010

CP-3, DOCKET NO. 100001-EI
FPL Witness: Carmine A. Priore III
Exhibit No.: _____
Pages 1 - 21

REVISED

DOCUMENT NUMBER 1 INDEX

FLORIDA POWER & LIGHT COMPANY

JANUARY THROUGH DECEMBER, 2010

<u>DOCUMENT</u>	<u>PAGE NUMBER</u>	<u>TITLE</u>
1	7.201.001	Index
	7.201.002 to 7.201.003	Generating Unit Selection Criteria
	7.201.004	GPIF Reward/(Penalty) Table (Estimated)
	7.201.005	GPIF calculation of Maximum Allowed Dollars (Estimated)
	7.201.006 and 7.201.007	GPIF Target and Range Summary
	7.201.008	GPIF Predicted Unit Heat Rates
	7.201.009	Derivation of Weighting Factors
	7.201.010	Estimated Unit Performance Data
	7.201.011 - 7.201.020	Unit MOF and FOF vs Time Graphs
	7.201.021	Planned Outages Schedule (Estimated)

Table 2.0
POWRSYM Projected System Generation
January Through December, 2010

REVISED

<u>Name</u>	<u>Capacity (MW)</u>	<u>Service Hours</u>	<u>Net Output MWH</u>	<u>NOF %</u>	<u>% of Total Output</u>	<u>Cumulative % of Total Output</u>	<u>Production Cost (\$000)</u>
WCEC_01	1,267	8,760	8,713,711	75.6	9.1	9.1	369,276
FT. MYERS 2	1,412	8,735	8,533,858	71.7	8.9	17.9	380,885
WCEC_02	1,267	8,268	8,173,561	89.3	8.5	26.5	348,468
MARTIN 8	1,092	8,207	8,066,024	89.9	8.4	34.8	345,490
MANATEE 3	1,092	6,810	8,060,864	79.3	8.4	43.2	352,674
ST. LUCIE 1	845	7,680	6,331,887	96.7	6.6	49.8	45,776
TURKEY POINT 4	703	8,760	6,003,732	95.6	6.2	56.1	47,681
SANFORD 4	944	6,836	5,833,878	91.1	6.1	62.1	259,658
TURKEY POINT 3	703	7,920	5,436,159	95.7	5.7	67.8	40,206
ST. LUCIE 2	719	7,464	5,223,017	96.4	5.4	73.2	27,053
SANFORD 5	944	6,029	4,913,646	87.2	5.1	78.3	220,525
TURKEY POINT 5	1,090	4,961	4,300,197	80.7	4.5	82.8	199,405
SCHERER 4	627	6,864	4,130,961	95.9	4.3	87.1	92,029
MARTIN 4	462	5,042	2,037,015	87.7	2.1	89.2	92,021
MARTIN 3	462	4,939	1,987,640	87.5	2.1	91.3	89,182
LAUDERDALE 5	437	3,739	1,311,737	81.0	1.4	92.7	69,091
LAUDERDALE 4	437	3,528	1,245,692	81.0	1.3	94.0	63,390
MARTIN 1	817	3,011	1,122,139	48.3	1.2	95.1	85,173
ST. JOHNS 1	128	8,760	1,082,521	95.4	1.1	96.3	33,752
ST. JOHNS 2	128	8,016	981,299	94.5	1.0	97.3	30,761
PORT EVERGLADES 3	375	1,471	405,467	77.1	0.4	97.7	33,172
PUTNAM 2	241	1,919	399,678	89.7	0.4	98.1	22,752
MANATEE 1	798	747	371,016	69.5	0.4	98.5	39,778
PORT EVERGLADES 4	375	1,301	327,706	73.5	0.3	98.9	26,444
PUTNAM 1	241	1,549	326,683	90.8	0.3	99.2	18,577
TURKEY POINT 1	379	977	261,900	77.9	0.3	99.5	27,810
FORT MYERS 3A_B	161	893	250,096	93.3	0.3	99.7	18,094
TURKEY POINT 2	379	749	197,311	76.8	0.2	99.9	18,524
FORT MYERS 1-12	583	171	34,011	39.8	0.0	100.0	7,050
CAPE CANAVERAL 1	379	99	19,922	0.0	0.0	100.0	1,375
CAPE CANAVERAL 2	379	50	7,663	24.2	0.0	100.0	512
LAUDERDALE 1-24	718	59	6,746	0.0	0.0	100.0	714
PORT EVERGLADES 1	206	2	0	14.8	0.0	100.0	0
PORT EVERGLADES 2	206	0	0	0.0	0.0	100.0	0
RIVIERA 3	274	0	0	0.0	0.0	100.0	0
RIVIERA 4	285	0	0	0.0	0.0	100.0	0
CUTLER 5	68	0	0	0.0	0.0	100.0	0
CUTLER 6	137	0	0	0.0	0.0	100.0	0
SANFORD 3	139	0	0	0.0	0.0	100.0	0
MANATEE 2	798	0	0	0.0	0.0	100.0	0
MARTIN 2	817	0	0	0.0	0.0	100.0	0
EVERGLADES 1-12	359	0	0	0.0	0.0	100.0	0
Total	23,872		96,097,737		100.0		3,407,298

REVISED

**FLORIDA POWER & LIGHT COMPANY
UNITS TO BE USED TO DETERMINE THE
GENERATING PERFORMANCE INCENTIVE FACTOR**

JANUARY THROUGH DECEMBER, 2010

Ft. Myers 2
Martin 8
Manatee 3
Sanford 4
Sanford 5
Scherer 4
St. Lucie 1
St. Lucie 2
Turkey Point 3
Turkey Point 4

REVISED

GENERATING PERFORMANCE INCENTIVE FACTOR

REWARD/PENALTY TABLE (ESTIMATED)

FLORIDA POWER & LIGHT COMPANY
 JANUARY THROUGH DECEMBER, 2010

Generating Performance Incentive Points (GPIF)	Fuel Savings/(Loss) (\$000)	Generating Performance Incentive Factor (\$000)
+ 10	101,796	35,485
+ 9	91,617	31,937
+ 8	81,437	28,388
+ 7	71,257	24,840
+ 6	61,078	21,291
+ 5	50,898	17,743
+ 4	40,718	14,194
+ 3	30,539	10,646
+ 2	20,359	7,097
+ 1	10,180	3,549
0	0	0
- 1	(10,180)	(3,549)
- 2	(20,359)	(7,097)
- 3	(30,539)	(10,646)
- 4	(40,718)	(14,194)
- 5	(50,898)	(17,743)
- 6	(61,078)	(21,291)
- 7	(71,257)	(24,840)
- 8	(81,437)	(28,388)
- 9	(91,617)	(31,937)
- 10	(101,796)	(35,485)

GENERATING PERFORMANCE INCENTIVE FACTOR

REVISED

CALCULATION OF MAXIMUM ALLOWED INCENTIVE DOLLARS

ESTIMATED

FLORIDA POWER & LIGHT COMPANY
PERIOD OF: JANUARY THROUGH DECEMBER, 2010

LINE 1	BEGINNING OF PERIOD BALANCE OF COMMON EQUITY		\$	8,459,714,398
	END OF MONTH BALANCE OF COMMON EQUITY			
LINE 2	MONTH OF JANUARY	2010	\$	8,535,407,472
LINE 3	MONTH OF FEBRUARY	2010	\$	8,576,908,996
LINE 4	MONTH OF MARCH	2010	\$	8,514,314,051
LINE 5	MONTH OF APRIL	2010	\$	8,589,899,016
LINE 6	MONTH OF MAY	2010	\$	8,688,490,659
LINE 7	MONTH OF JUNE	2010	\$	8,817,223,148
LINE 8	MONTH OF JULY	2010	\$	8,950,895,421
LINE 9	MONTH OF AUGUST	2010	\$	9,095,793,403
LINE 10	MONTH OF SEPTEMBER	2010	\$	9,227,551,844
LINE 11	MONTH OF OCTOBER	2010	\$	9,330,159,021
LINE 12	MONTH OF NOVEMBER	2010	\$	9,403,937,246
LINE 13	MONTH OF DECEMBER	2010	\$	9,466,290,153
LINE 14	AVERAGE COMMON EQUITY FOR THE PERIOD (SUMMATION OF LINE 1 THROUGH LINE 13 DIVIDED BY 13)		\$	8,896,660,000
LINE 15	25 BASIS POINTS			0.0025
LINE 16	REVENUE EXPANSION FACTOR			61.3808%
LINE 17	MAXIMUM ALLOWED INCENTIVE DOLLARS (LINE 14 TIMES LINE 15 DIVIDED BY LINE 16)		\$	36,235,532
LINE 18	JURISDICTIONAL SALES			101,028,630,477 KWH
LINE 19	TOTAL SALES			103,165,312,218 KWH
LINE 20	JURISDICTIONAL SEPARATION FACTOR (LINE 18 DIVIDED BY LINE 19)			97.93%
LINE 21	MAXIMUM ALLOWED JURISDICTIONAL INCENTIVE DOLLARS		\$	35,485,049

REVISED

GPIF TARGET AND RANGE SUMMARY

FLORIDA POWER & LIGHT COMPANY
 PERIOD OF: JANUARY THROUGH DECEMBER, 2010

<u>Plant / Unit</u>	<u>Weighting Factor (%)</u>	<u>EAF Target (%)</u>	<u>EAF Range</u>		<u>Max. Fuel Savings (\$000's)</u>	<u>Max. Fuel Loss (\$000's)</u>
			<u>Max. (%)</u>	<u>Min. (%)</u>		
Ft. Myers 2	2.73	92.7	94.7	90.7	2,776.5	-2,776.5
Martin 8	4.27	85.5	88.5	82.5	4,349.2	-4,349.2
Manatee 3	3.28	94.3	96.8	91.8	3,342.2	-3,342.2
Sanford 4	1.91	89.7	91.7	87.7	1,948.5	-1,948.5
Sanford 5	1.87	88.2	91.2	85.2	1,901.6	-1,901.6
Scherer 4	3.13	74.4	76.4	72.4	3,183.9	-3,183.9
St. Lucie 1	9.66	81.3	84.3	78.3	9,831.1	-9,831.1
St. Lucie 2	8.17	76.7	79.7	73.7	8,319.3	-8,319.3
Turkey Point 3	7.78	82.3	85.3	79.3	7,916.8	-7,916.8
Turkey Point 4	8.79	93.6	96.6	90.6	8,948.0	-8,948.0
	51.59				52,517.1	-52,517.1

REVISED

GPIF TARGET AND RANGE SUMMARY

FLORIDA POWER & LIGHT COMPANY
 PERIOD OF: JANUARY THROUGH DECEMBER, 2010

<u>Plant / Unit</u>	<u>Weighting Factor (%)</u>	<u>ANOHR TARGET</u>		<u>ANOHR RANGE</u>		<u>Max. Fuel Savings (\$000's)</u>	<u>Max. Fuel Loss (\$000's)</u>
		<u>BTU/KWH</u>	<u>NOF</u>	<u>BTU/KWH</u>	<u>BTU/KWH</u>		
Ft. Myers 2	5.43	7,230	71.7	7,125	7,335	5,531.5	-5,531.5
Martin 8	8.41	7,099	89.9	6,923	7,275	8,565.5	-8,565.5
Manatee 3	9.82	7,020	79.3	6,821	7,219	9,997.5	-9,997.5
Sanford 4	4.05	7,247	91.1	7,132	7,362	4,120.4	-4,120.4
Sanford 5	4.78	7,247	87.2	7,087	7,407	4,868.8	-4,868.8
Scherer 4	1.64	10,151	95.9	9,967	10,335	1,668.1	-1,668.1
St. Lucie 1	2.96	10,868	96.7	10,767	10,969	3,008.9	-3,008.9
St. Lucie 2	4.04	11,207	96.4	11,044	11,370	4,110.6	-4,110.6
Turkey Point 3	3.22	11,474	95.7	11,333	11,615	3,280.0	-3,280.0
Turkey Point 4	4.06	11,470	95.6	11,313	11,627	4,127.8	-4,127.8
	<u>48.41</u>					<u>49,279.1</u>	<u>-49,279.1</u>

REVISED

PROJECTED UNIT HEAT RATE EQUATIONS
 FLORIDA POWER & LIGHT COMPANY
 PERIOD OF: JANUARY THROUGH DECEMBER, 2010

Plant/Unit	ANQHR	NOF	MW	ANOHR Equation		Bounds	First	Last	Exclusions
				a coef.	b coef.				
Ft. Myers 2	7,230	71.7	1412	7564	-4.67	105	07-06	06-09	2/2008
Martin 8	7,099	89.9	1092	7196	-1.07	176	07-06	06-09	11/06, 02/07, 11/07
Manatee 3	7,020	79.3	1092	7538	-6.53	199	07-06	06-09	9/06, 10/06, 12/06, 3/07, 5/07-9/07, 11/07, 1/08, 4/08, 12/08-2/09
Sanford 4	7,247	91.1	944	7854	-6.66	115	07-06	06-09	07/06, 08/06, 05/07, 07/07, 02/08
Sanford 5	7,247	87.2	944	7871	-7.15	160	07-06	06-09	12/06
Scherer 4	10,151	95.9	627	10718	-5.91	184	07-06	06-09	02/07, 03/09, 04/09, 05/09, 06/09
St. Lucie 1	10,868	96.7	845	13072	-22.79	101	07-06	06-09	11/06, 04/07, 05/07
St. Lucie 2	11,207	96.4	719	18985	-80.68	163	07-06	06-09	10/07, 11/07, 12/07, 01/08, 03/09, 05/09, 06/09
Turkey Point 3	11,474	95.7	703	18410	-72.48	141	07-06	06-09	09/07, 10/07, 04/09, 05/09
Turkey Point 4	11,470	95.6	703	18311	-71.56	157	07-06	06-09	11/06, 12/06, 04/08, 05/08, 05/09

DERIVATION OF WEIGHT FACTORS

REVISED

FLORIDA POWER & LIGHT COMPANY
 PERIOD OF: JANUARY THROUGH DECEMBER, 2010

PRODUCTION COSTING SIMULATION
 FUEL COST (\$000)

Unit	Performance Indicator	At Target (1)	At Maximum Improvement (2)	Savings (3)	Factor (% Of Savings)
Ft. Myers 2	EAF	3,407,298	3,404,522	2,776.5	2.73
Ft. Myers 2	ANOHR	3,407,298	3,401,766	5,531.5	5.43
Martin 8	EAF	3,407,298	3,402,949	4,349.2	4.27
Martin 8	ANOHR	3,407,298	3,398,733	8,565.5	8.41
Manatee 3	EAF	3,407,298	3,403,956	3,342.2	3.28
Manatee 3	ANOHR	3,407,298	3,397,301	9,997.5	9.82
Sanford 4	EAF	3,407,298	3,405,349	1,948.5	1.91
Sanford 4	ANOHR	3,407,298	3,403,178	4,120.4	4.05
Sanford 5	EAF	3,407,298	3,405,396	1,901.6	1.87
Sanford 5	ANOHR	3,407,298	3,402,429	4,868.8	4.78
Scherer 4	EAF	3,407,298	3,404,114	3,183.9	3.13
Scherer 4	ANOHR	3,407,298	3,405,630	1,668.1	1.64
St. Lucie 1	EAF	3,407,298	3,397,467	9,831.1	9.66
St. Lucie 1	ANOHR	3,407,298	3,404,289	3,008.9	2.96
St. Lucie 2	EAF	3,407,298	3,398,979	8,319.3	8.17
St. Lucie 2	ANOHR	3,407,298	3,403,187	4,110.6	4.04
Turkey Point 3	EAF	3,407,298	3,399,381	7,916.8	7.78
Turkey Point 3	ANOHR	3,407,298	3,404,018	3,280.0	3.22
Turkey Point 4	EAF	3,407,298	3,398,350	8,948.0	8.79
Turkey Point 4	ANOHR	3,407,298	3,403,170	4,127.8	4.06
TOTAL				101,796.2	100.00

(1) FUEL ADJUSTMENT - ALL UNITS PERFORMANCE AT TARGET

(2) ALL OTHER UNITS PERFORMANCE AT TARGET

(3) EXPRESSED IN REPLACEMENT ENERGY COSTS.

REVISED

ESTIMATED UNIT PERFORMANCE DATA
 FLORIDA POWER & LIGHT COMPANY
 PERIOD OF: JANUARY THROUGH DECEMBER, 2010

<u>Plant/Unit</u>	<u>EAF</u>	<u>EPOF</u>	<u>EUOF</u>	<u>PH</u>	<u>SH</u>	<u>RSH</u>	<u>UH</u>	<u>EPOH</u>	<u>EFOH</u>	<u>EMOH</u>	<u>NET GEN</u>
Ft. Myers 2	92.7	2.5	4.8	8760	8123	0	637	216	175	245	8,533,858
Martin 8	85.5	4.9	9.6	8760	7487	0	1273	432	254	587	8,066,024
Manatee 3	94.3	0.0	5.7	8760	6810	1451	499	0	175	324	8,060,864
Sanford 4	89.7	5.8	4.5	8760	6836	1026	898	504	175	219	5,833,878
Sanford 5	88.2	5.1	6.7	8760	6029	1700	1031	444	307	280	4,913,646
Scherer 4	74.4	21.6	4.0	8760	6514	0	2246	1896	175	175	4,130,961
St. Lucie 1	81.3	12.3	6.4	8760	7119	0	1641	1080	280	280	6,331,887
St. Lucie 2	76.7	14.8	8.5	8760	6719	0	2041	1296	464	280	5,223,017
Turkey Point 3	82.3	9.8	8.1	8760	7210	0	1550	840	429	280	5,436,159
Turkey Point 4	93.6	0.0	6.4	8760	8199	0	561	0	280	280	6,003,732

EPOF = equivalent planned outage factor. $EPOF = (EPOH/PH) * 100$

EUOF = equivalent unavailable outage factor. $EUOF = ((EFOH + EMOH)/PH) * 100$

PH = period hours

SH = service hours

RSH = reserve shutdown

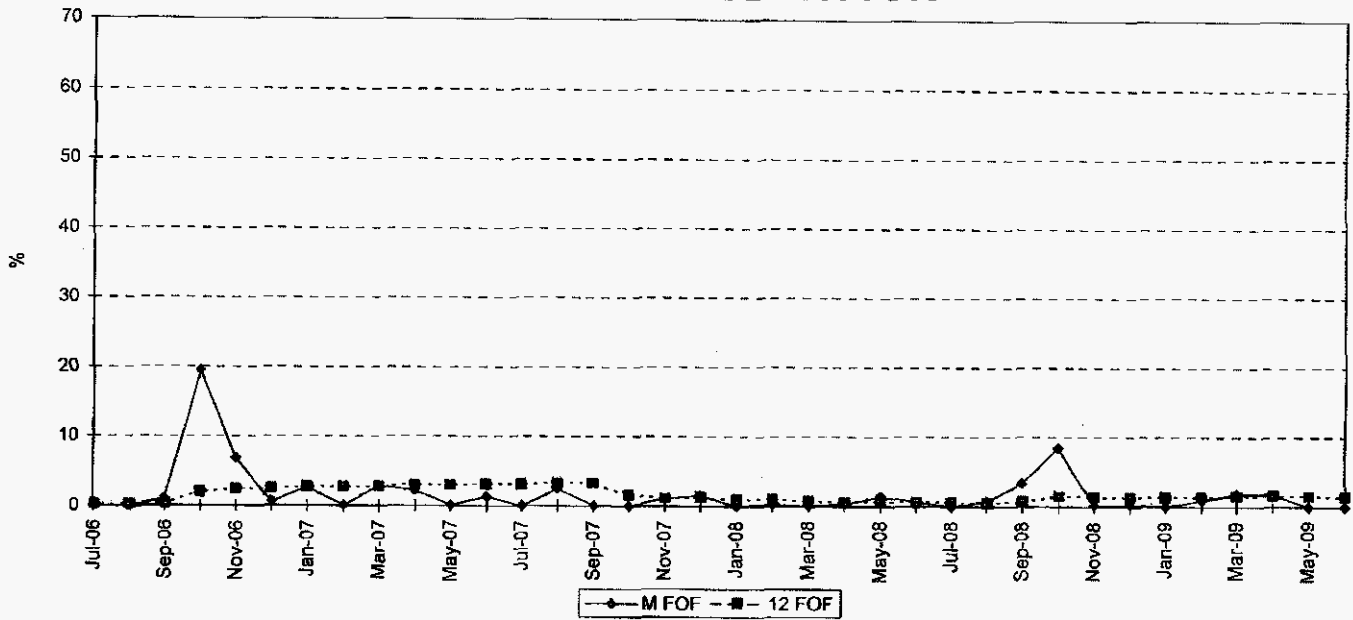
UH = unavailable hours. $UH = PH - SH - RSH$

EPOH = equivalent planned outage hours

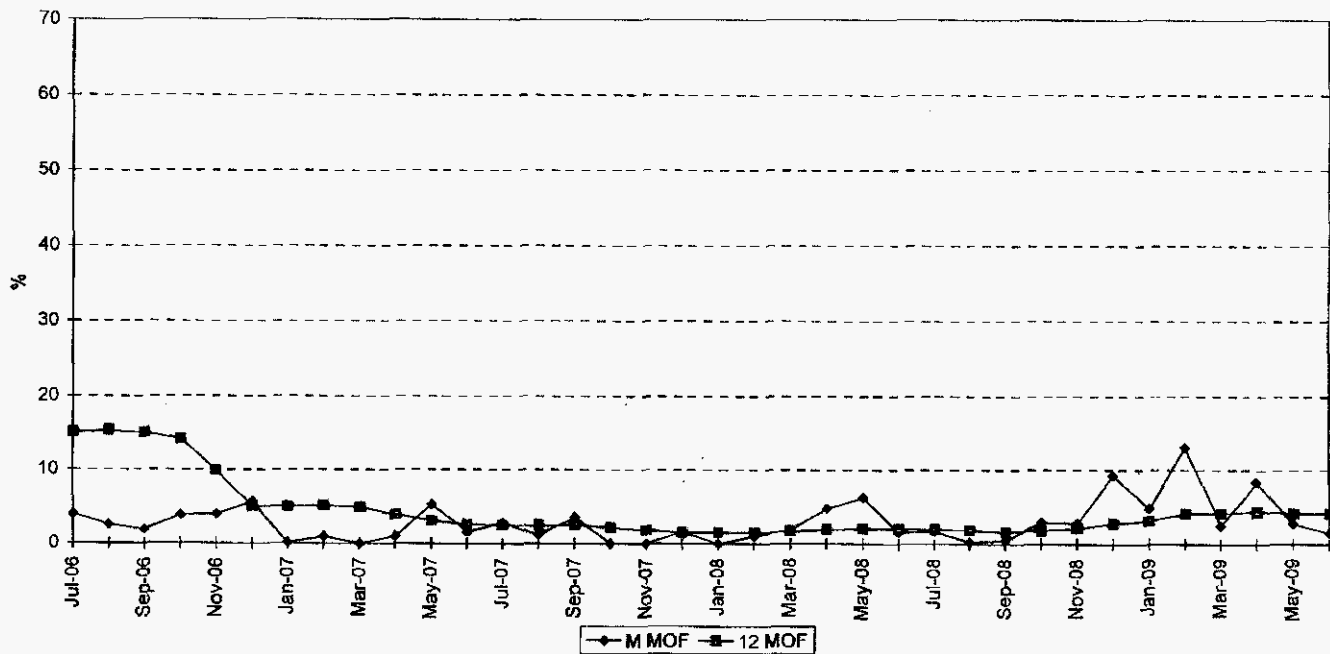
EFOH = equivalent forced outage hours

EMOH = equivalent maintenance outage hours

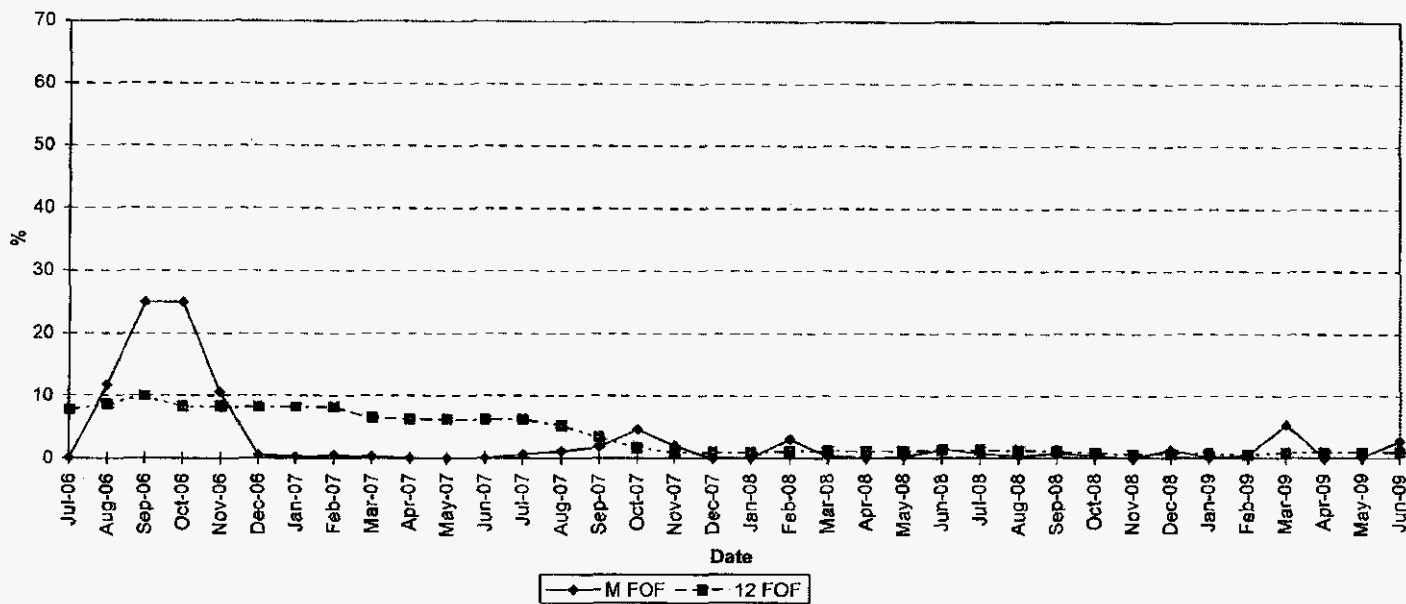
PFM 2 FORCED OUTAGE FACTOR



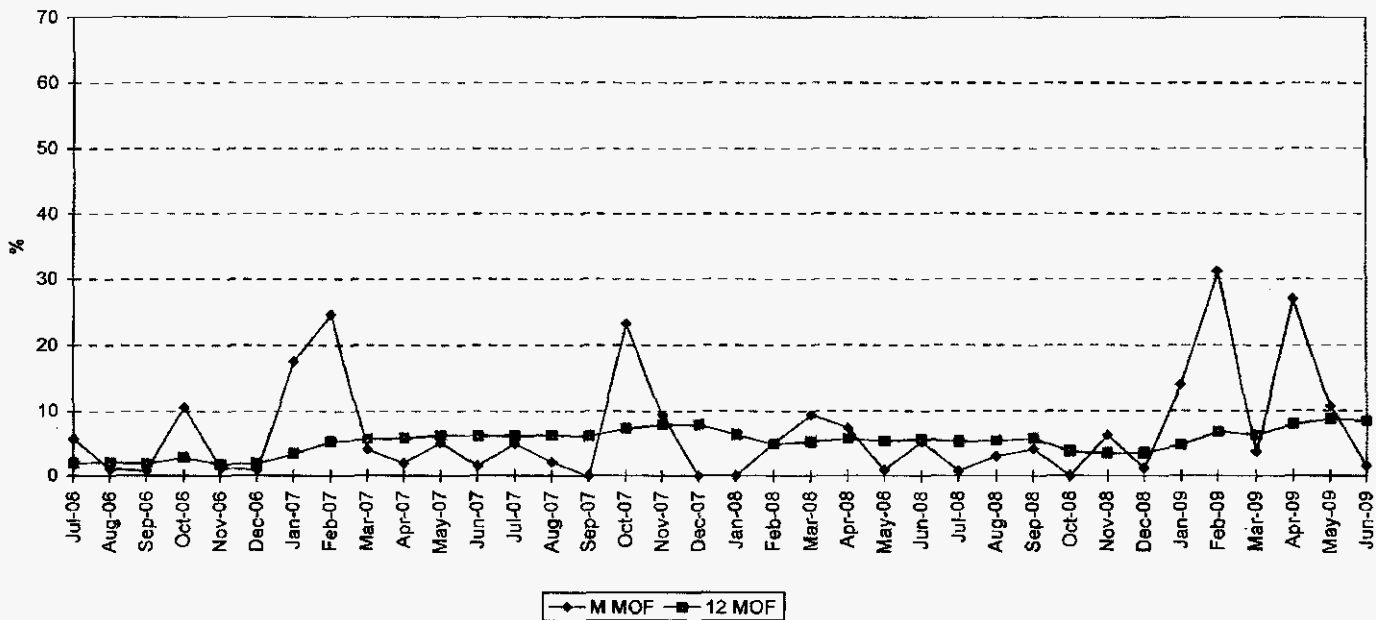
MAINTENANCE OUTAGE FACTOR



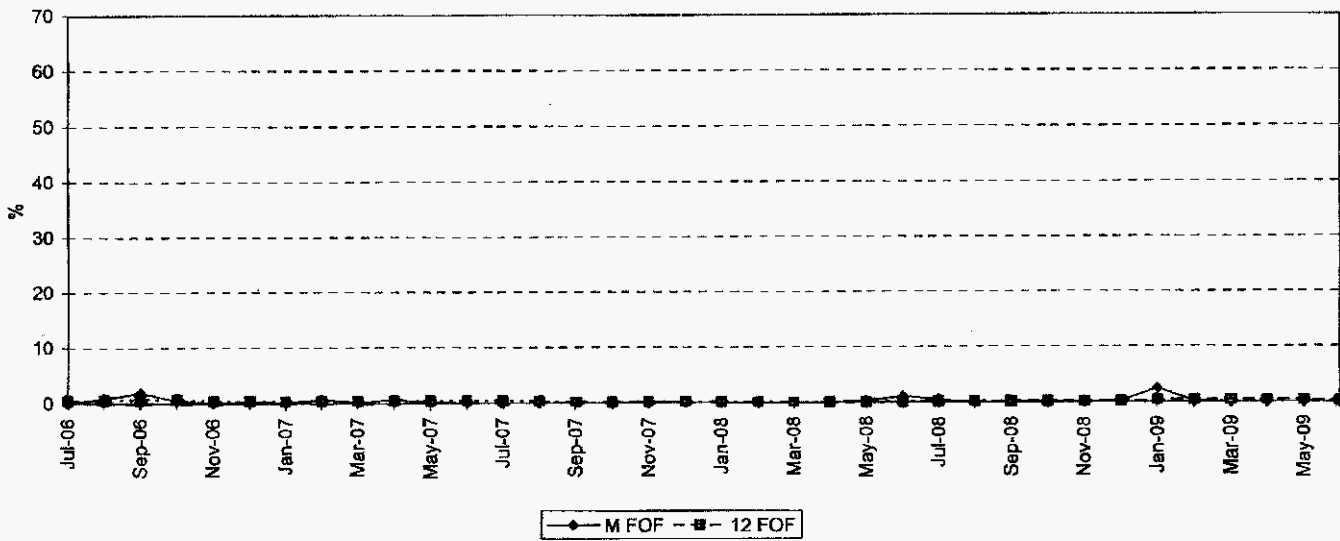
PMR 8 FORCED OUTAGE FACTOR



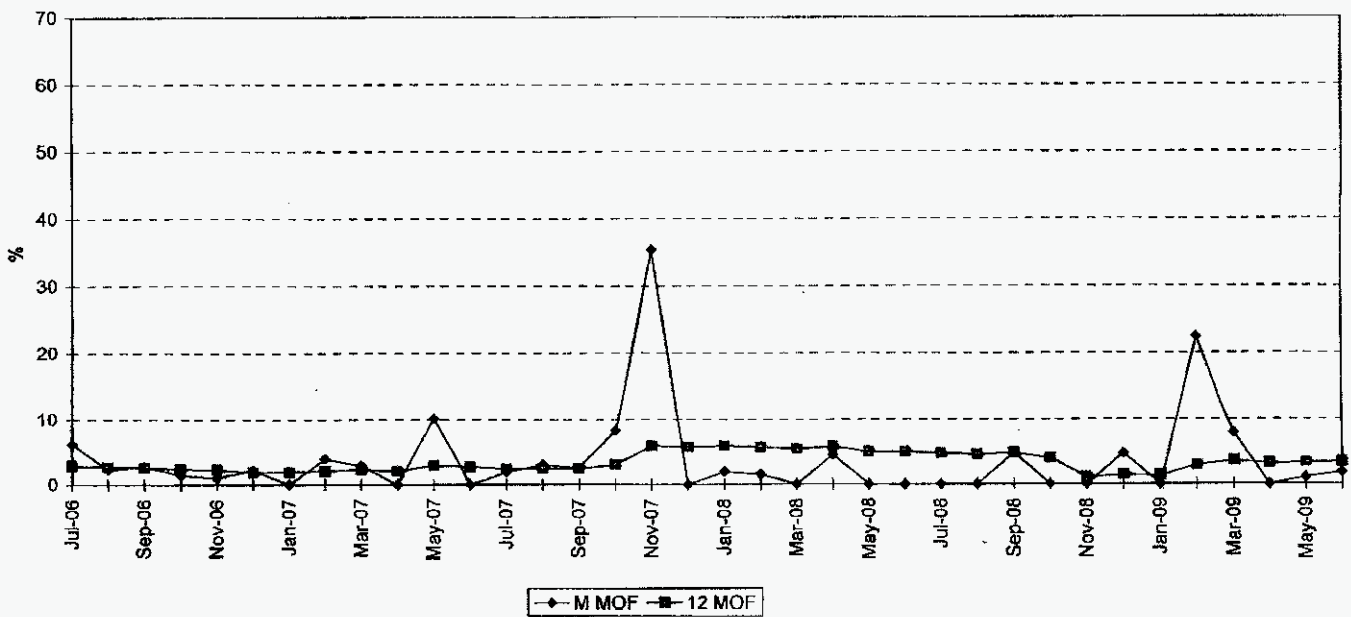
MAINTENANCE OUTAGE FACTOR



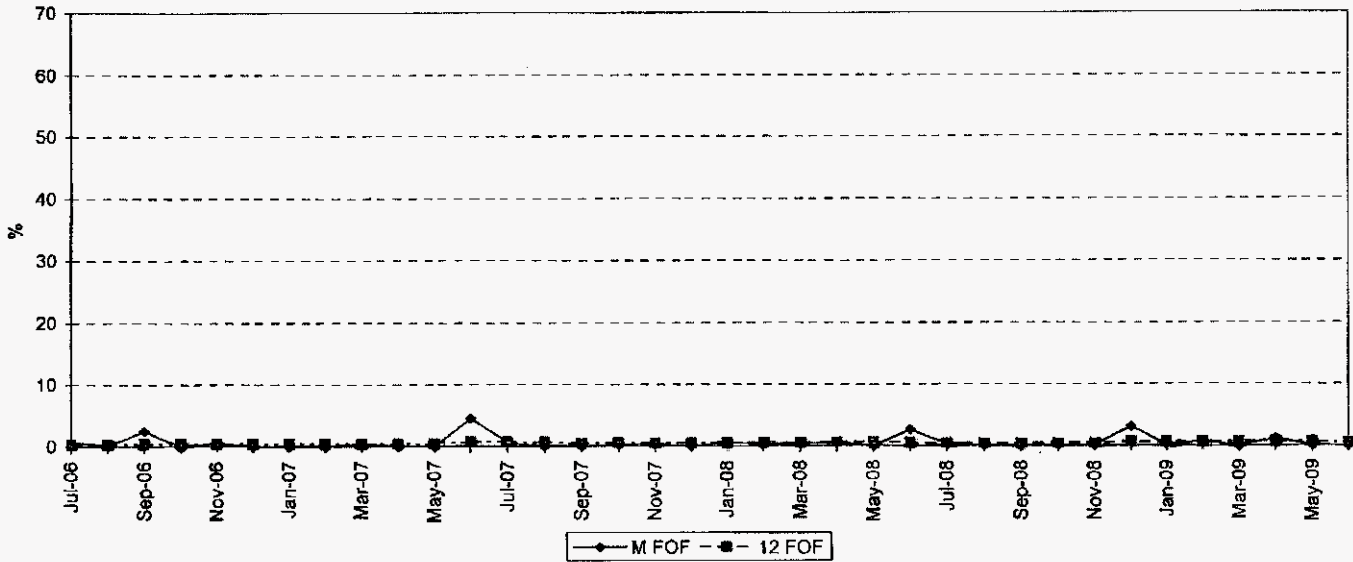
PMT 3 FORCED OUTAGE FACTOR



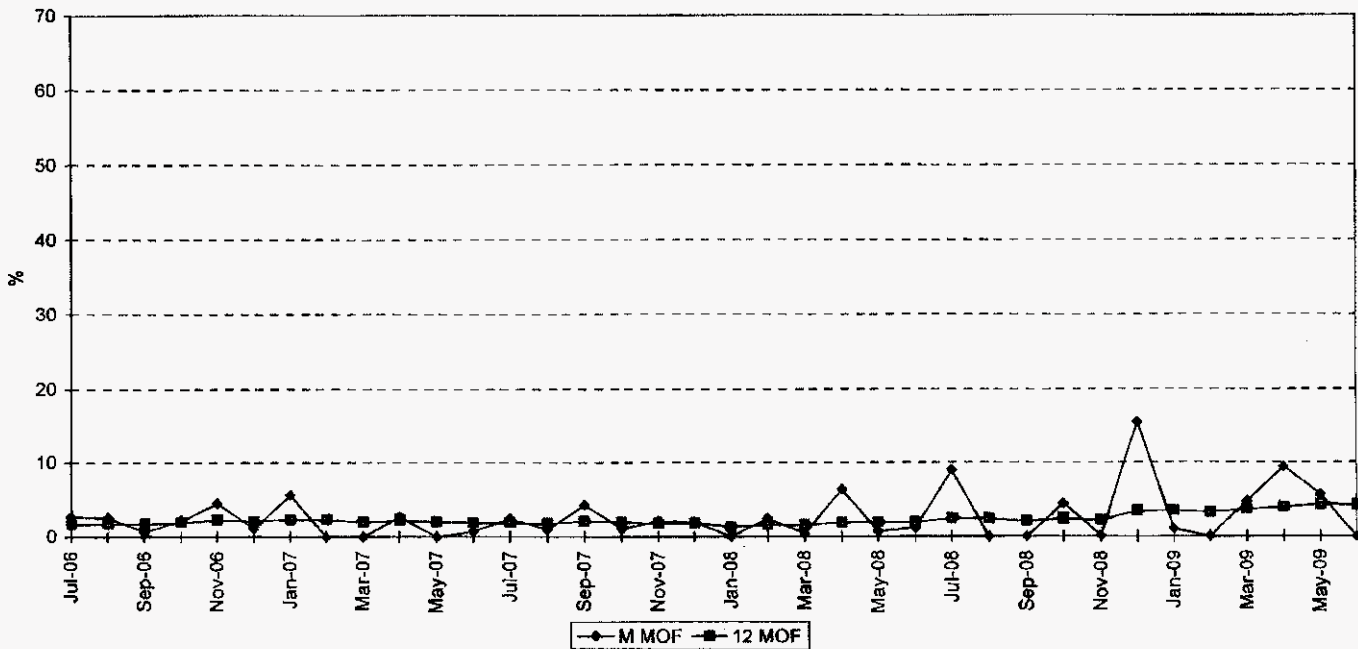
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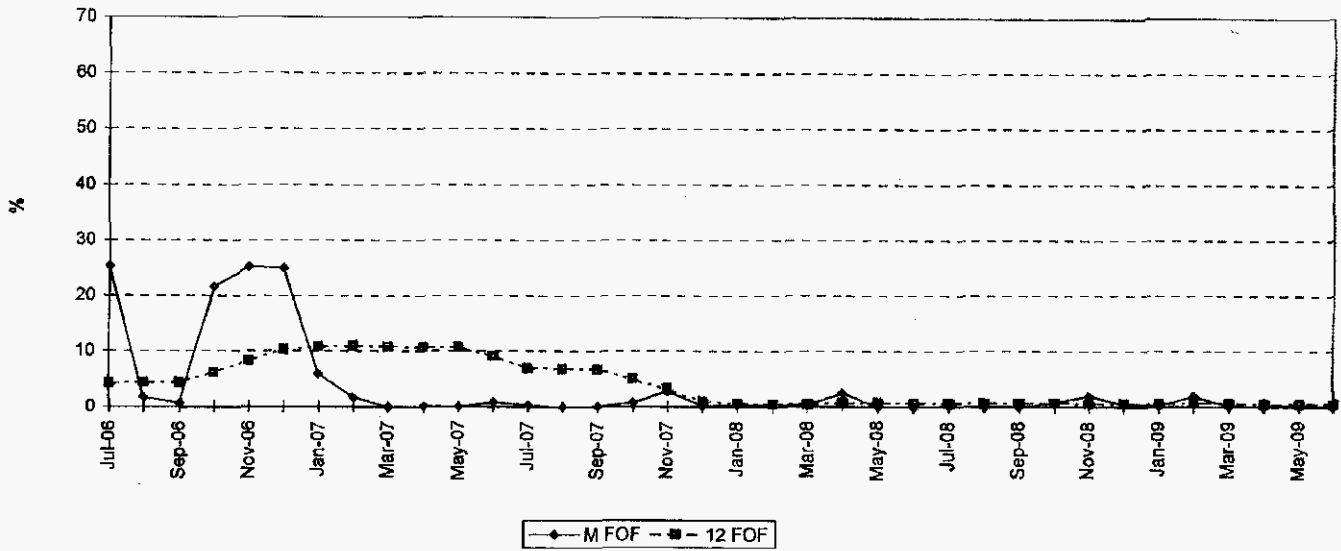
PSN 4 FORCED OUTAGE FACTOR



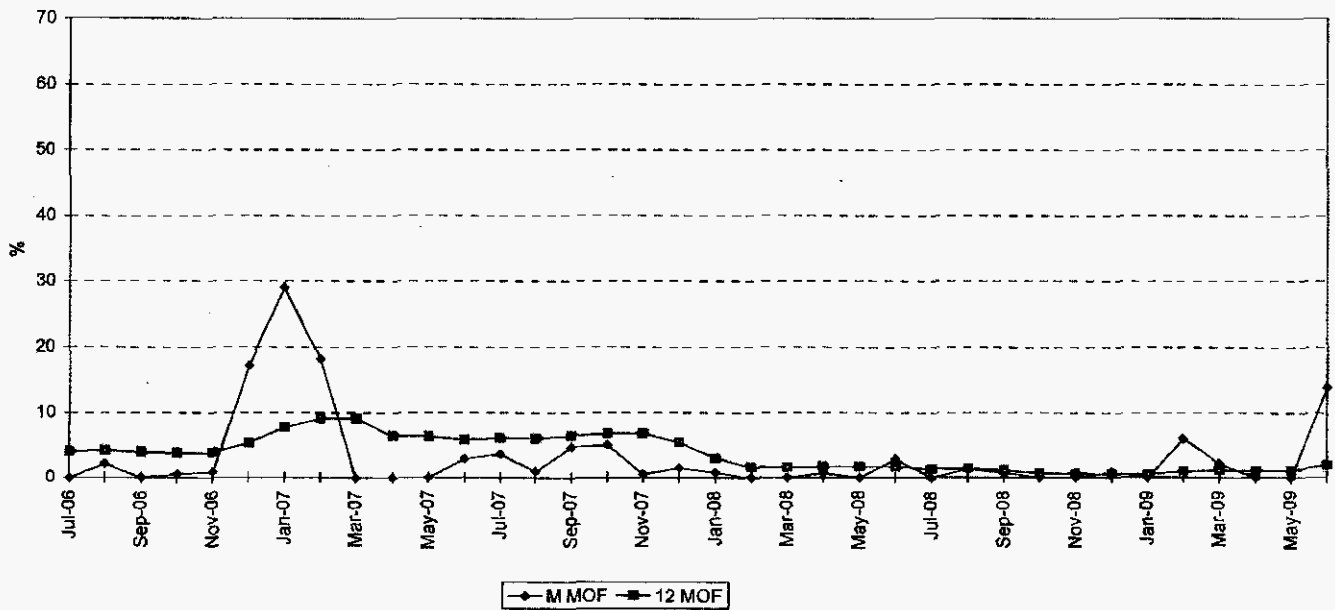
MAINTENANCE OUTAGE FACTOR



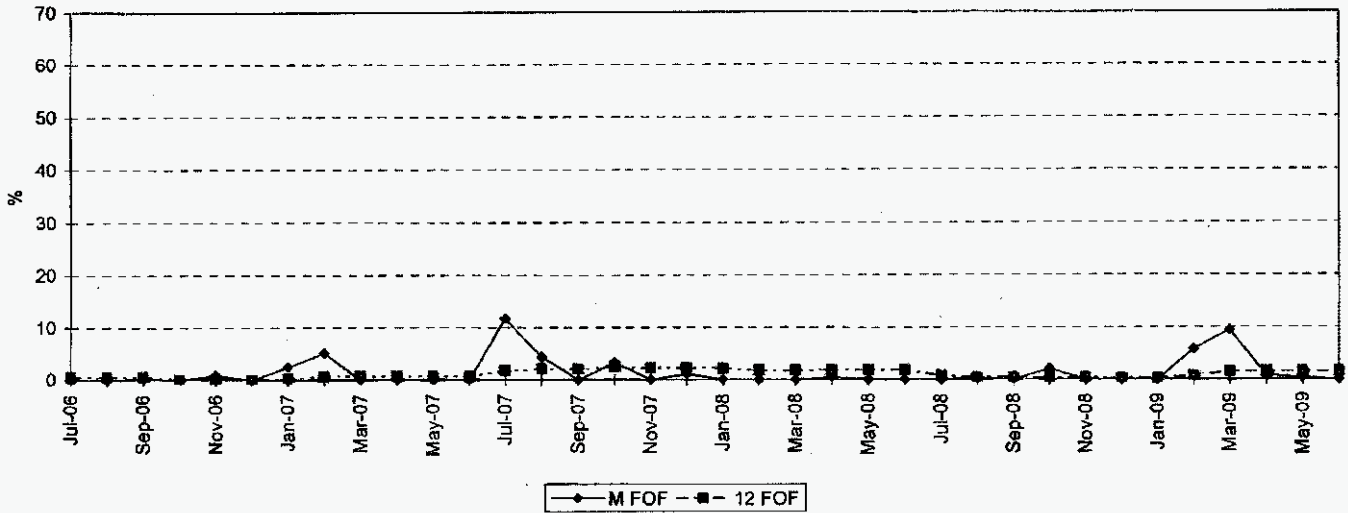
PSN 5 FORCED OUTAGE FACTOR



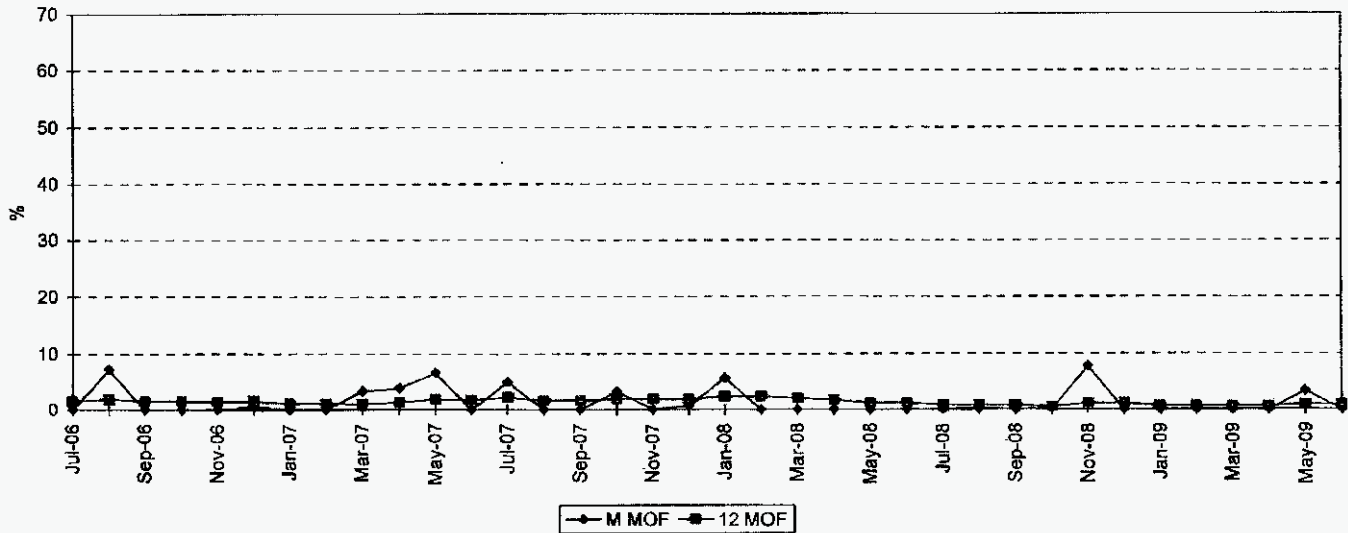
MAINTENANCE OUTAGE FACTOR



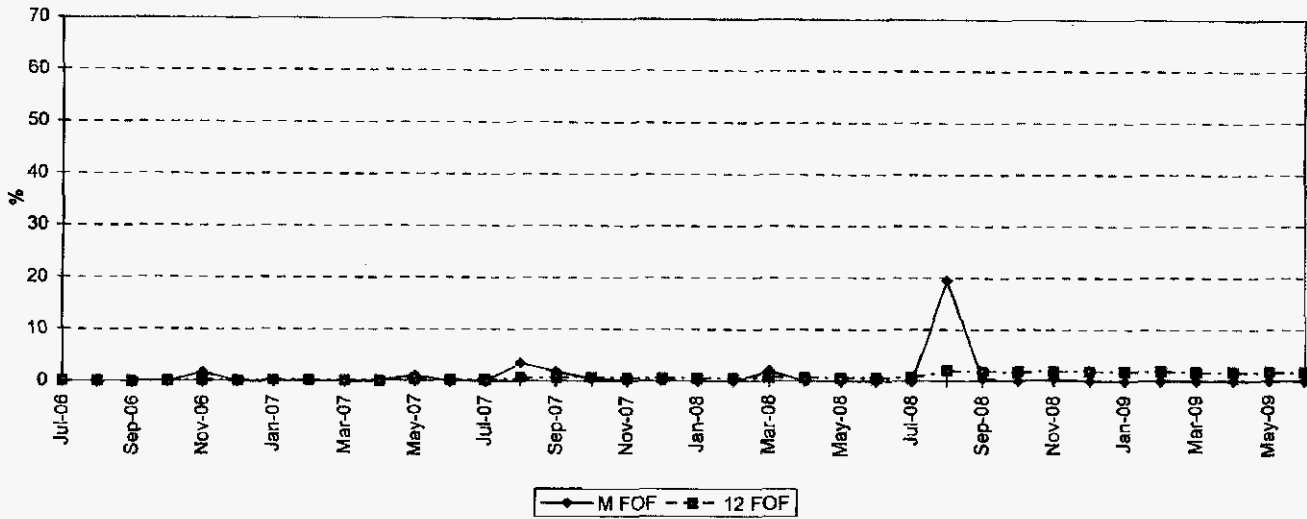
PSG 4 FORCED OUTAGE FACTOR



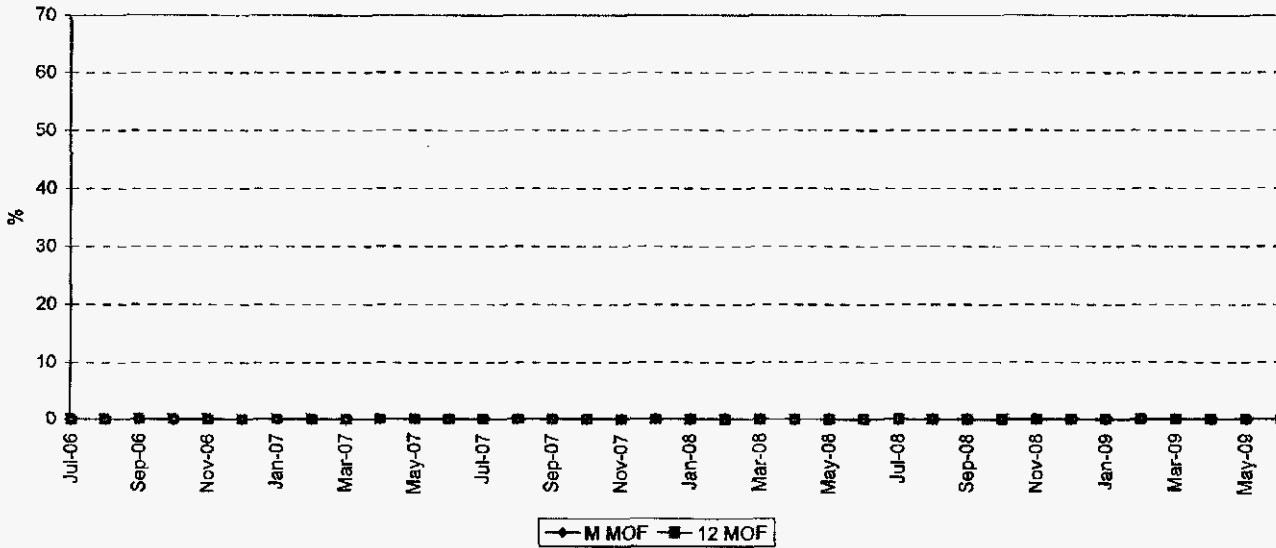
MAINTENANCE OUTAGE FACTOR



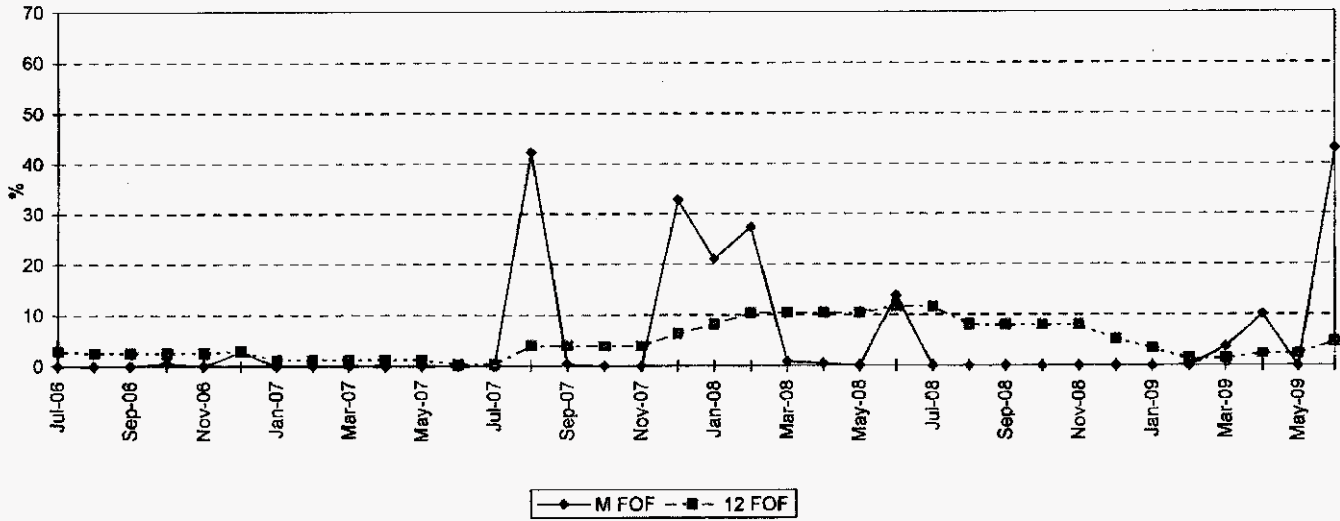
PSL 1 FORCED OUTAGE FACTOR



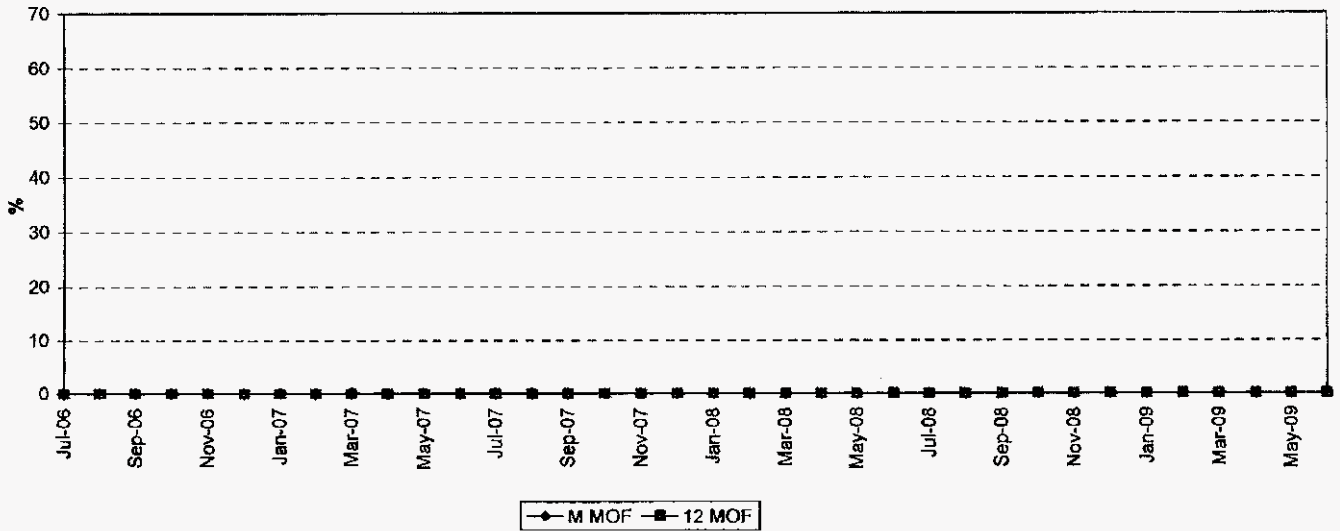
MAINTENANCE OUTAGE FACTOR



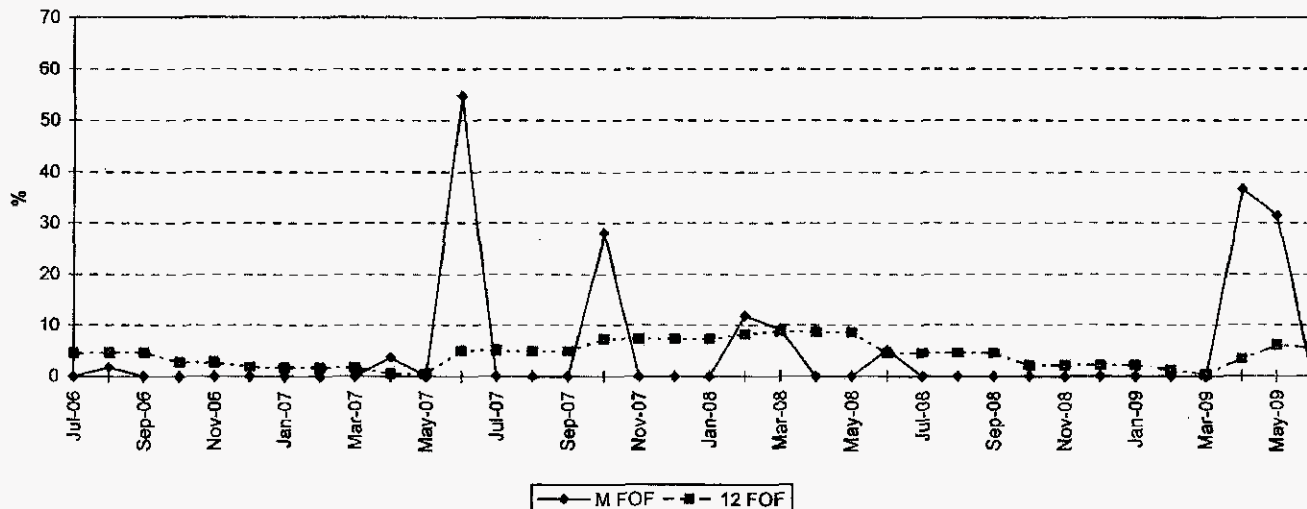
PSL 2 FORCED OUTAGE FACTOR



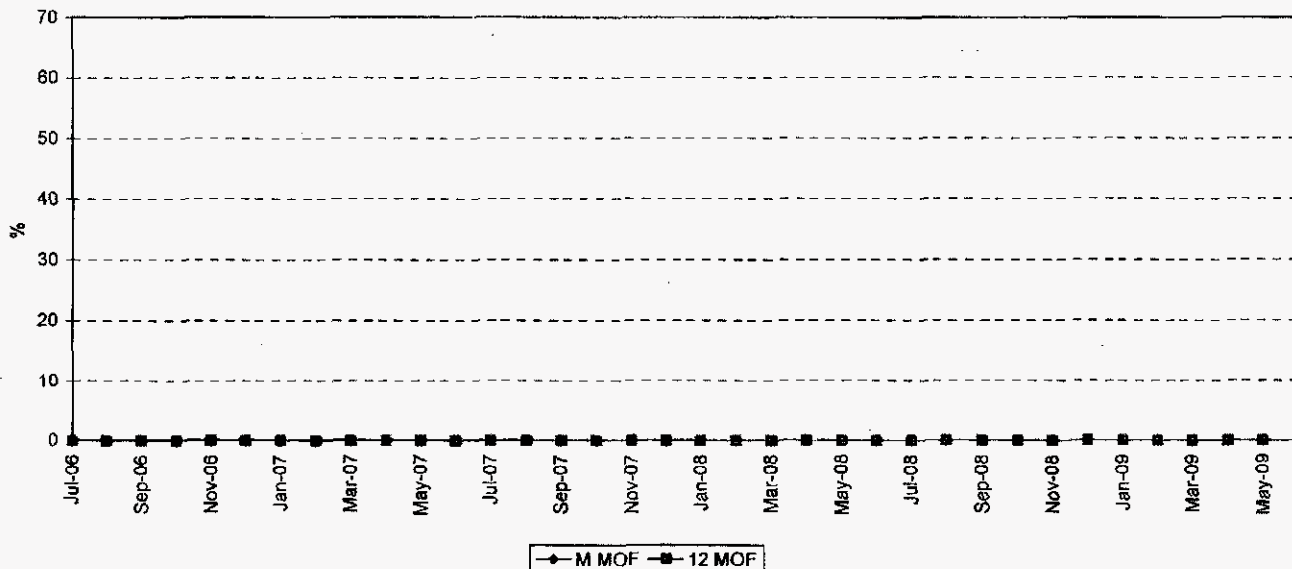
MAINTENANCE OUTAGE FACTOR



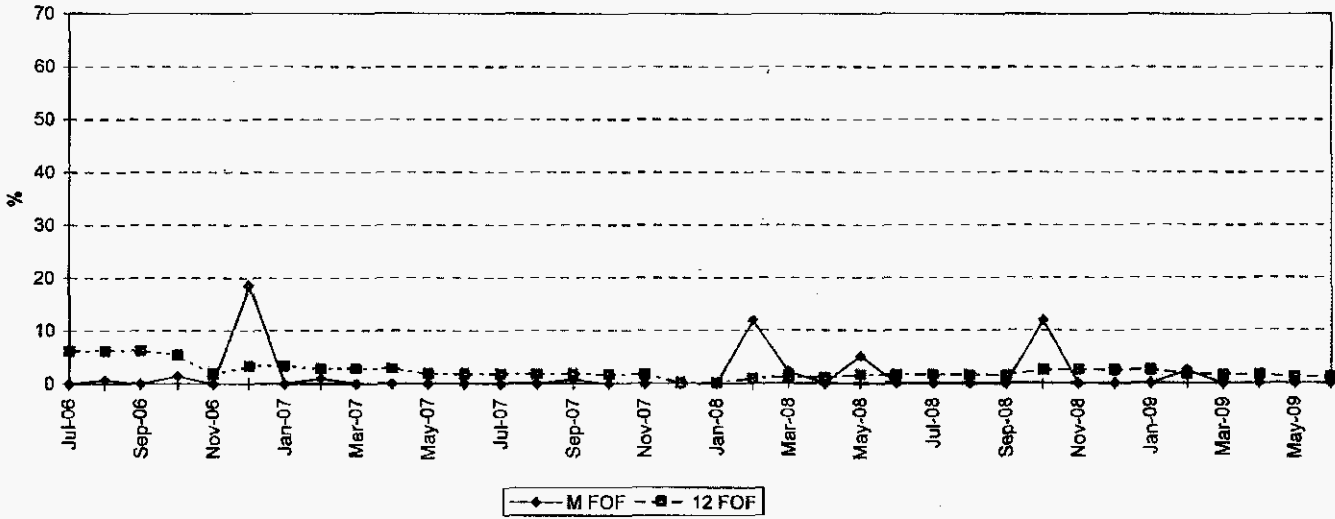
PTN 3 FORCED OUTAGE FACTOR



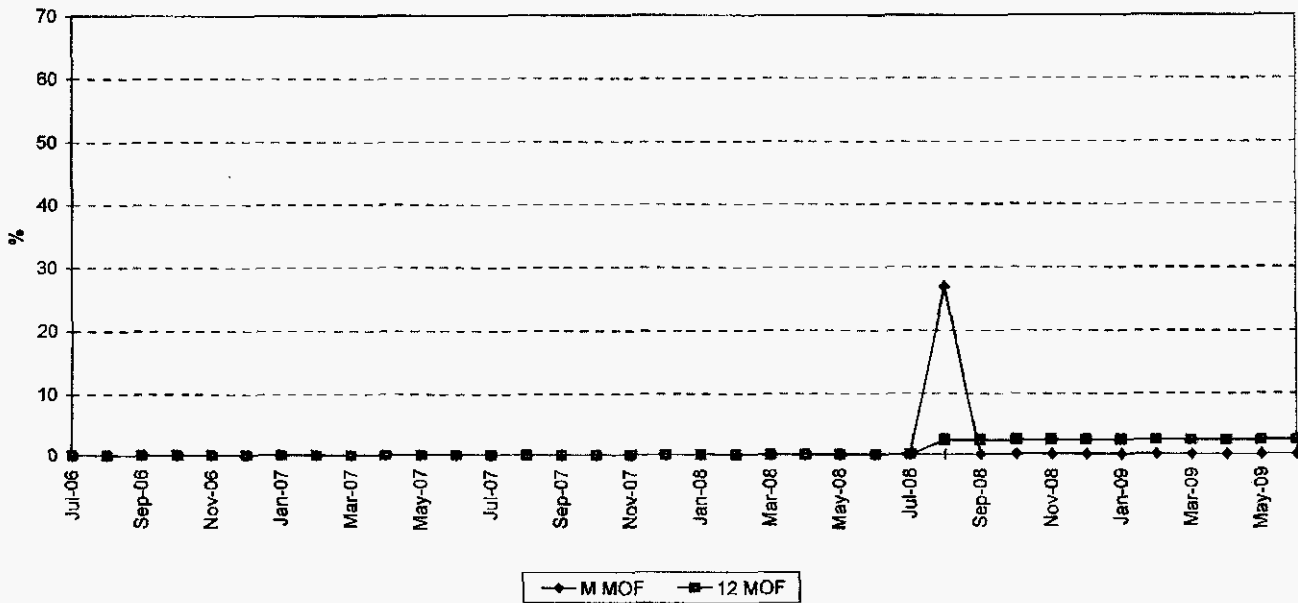
MAINTENANCE OUTAGE FACTOR



PTN 4 FORCED OUTAGE FACTOR



MAINTENANCE OUTAGE FACTOR



PLANNED OUTAGE SCHEDULE (ESTIMATED)

REVISED

FLORIDA POWER & LIGHT COMPANY

PERIOD OF: JANUARY THROUGH DECEMBER, 2010

PLANT/UNIT	PLAN OUTAGE*	REASON FOR OUTAGE	LR MW**
Ft. Myers 2	05/01/2010 - 06/11/2010	A-F CONSECUTIVE HRSGs INSP. - 17% CURT	240
Ft. Myers 2	11/13/2010 - 11/14/2010	30" WEST LEG MAINLINE EXTENSION	1440
Martin 8	02/13/2010 - 02/19/2010	A-B HRSG INSP - 50% CURT	556
Martin 8	02/13/2010 - 03/05/2010	C-D S0-S5 FF/HRSG - 25% CURT	278
Martin 8	02/13/2010 - 02/28/2010	GEN INSP - 100% CURT	1112
Manatee 3	NONE		
Sanford 4	03/13/2010 - 04/02/2010	P91 REPLACEMENT / LATERALS / HRSG INSP - 100% CURT	955
Sanford 5	05/29/2010 - 06/04/2010	COMB INSP/HRSG INSP - 25% CURT	225
Sanford 5	06/05/2010 - 06/27/2010	HRSG INSP - 25% CURT	225
Sanford 5	06/05/2010 - 06/27/2010	S0-S5 FF / 24K / HOT GAS PATH / HRSG INSP - 25% CURT	225
Sanford 5	06/05/2010 - 06/25/2010	S0-S5 FF / COMB. INSP - 25% CURT	225
Scherer 4	01/16/2010 - 04/04/2010	BLR, FGD, BFPT	644
St. Lucie 1	04/05/2010 - 05/20/2010	REFUELING. Outgate increased to 45 days due to Alloy 600 repairs.	839
St. Lucie 2	11/08/2010 - 12/31/2010	REFUELING. Outage continues into next year through Jan 11. Outage increased to 64 days due to main generator rewind and rotor replacement, LP turbine replacement and Alloy 600 repairs.	726
Turkey Point 3	09/27/2010 - 11/01/2010	REFUELING which includes eddy current testing of the steam generator	717
Turkey Point 4	NONE		n/a

*Dates are estimated from breaker open to breaker close

**Load Reduction MW are based on the unit's MW rating during the specified outage period

FPL Annual GPIF Over/(Under) Recovery From The GPIF ANOHR Calculation Refinement

FPL's removal of the Gas Adjustment Factor (GAF) for combined cycle units, added to the fleet after 1992, impacts the GPIF reward calculation since October 1994 when Ft. Lauderdale Units 4 & 5 were added to the GPIF mix. The annual impact to GPIF is shown below.

<u>Recovery Period</u>	<u>GPIF FPL Over / (Under) Recovery</u>	<u>Interest (A)</u>	<u>GPIF FPL Over / (Under) Recovery Plus Interest</u>
1994 (4th Qtr.)	\$11,391	\$7,413	\$18,804
1995	\$45,562	\$25,609	\$71,171
1996	\$45,562	\$21,772	\$67,334
1997	\$45,562	\$18,388	\$63,950
1998	\$45,562	\$14,864	\$60,426
1999	\$45,562	\$11,627	\$57,189
2000	\$74,046	\$16,654	\$90,700
2001	\$6,473	\$1,346	\$7,819
2002	(\$20,509)	\$0	(\$20,509)
2003	\$23,813	\$3,978	\$27,791
2004	\$102,236	\$12,128	\$114,364
2005	\$30,092	\$1,862	\$31,954
2006	\$98,606	\$1,948	\$100,554
2007	\$44,317	\$182	\$44,499
2008	(\$60,762)	\$0	(\$60,762)
2009	<u>\$157,311</u>	<u>\$0</u>	<u>\$157,311</u>
Customer Credit	\$694,824	\$137,771	\$832,595

The \$832,595 customer credit, which includes interest, for the period October 1994 through 2009 will be applied as a reduction to the 2009 GPIF reward of \$8,948,495 that was filed on April 1, 2010. FPL's 2009 revised GPIF reward is \$8,115,900.

Note:

(A) Interest is calculated on a two year lag (Example: Interest calculation for 1994 uses rates beginning at 01/01/1996). Interest was calculated through December 31, 2010 using the average commercial paper rate as published in the Wall Street Journal.