

EXHIBIT "B"

EDITED VERSION

REDACTED

1 Q.

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3 Please refer to page 7 of the testimony of witness Gerard Yupp, filed September 1, 2010.
4 Please explain whether FPL reflected the effect of the completion of Florida Gas
5 Transmission's Phase VIII expansion in estimated delivered gas prices for 2011, and describe
6 the effect on estimated delivered gas prices for 2011. As part of this response, please identify
7 the relevant E Schedules (and line numbers) where this effect has been reflected.
8

9 A.

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11 FPL included the cost of Florida Gas Transmission's (FGT) Phase VIII expansion in its projection
12 filing. Monthly projections for the cost of natural gas are developed using the POWRSYM
13 (PMAREA) model. These estimates include the commodity costs and variable transport costs of
14 natural gas. FPL adjusts these values by adding monthly demand costs associated with its firm
15 natural gas transportation capacity and by adding monthly hedging gains/losses which results in
16 total natural gas costs per month. These costs are shown on Schedule E3 under "Fuel Cost of
17 System Net Generation (\$)" on the line item for Gas. The cost figures shown on Schedule E3 in
18 FPL's projection filing include a cost component for additional firm natural gas transportation
19 capacity associated with FGT's Phase VIII expansion beginning in April 2011. This additional firm
20 transport adds [REDACTED] to the natural gas costs for the projected period.
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