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COMMISSION  
CLERK

September 1, 2011

**VIA HAND DELIVERY**

Ms. Ann Cole  
Commission Clerk  
Florida Public Service Commission  
Betty Easley Conference Center  
2540 Shumard Oak Boulevard, Room 110  
Tallahassee, FL 32399-0850

Re: Docket No. 110001-EI

Dear Ms. Cole:

I am enclosing for filing in the above docket the original and seven (7) copies of the Petition of Florida Power and Light Company for Approval of its Levelized Fuel Cost Recovery Factors and Capacity Recovery Factors for January 2012 Through December 2012, together with a CD containing the electronic version of same.

Also enclosed for filing are the original and fifteen (15) copies of the prefiled testimony and exhibits of Florida Power and Light Company witnesses G.J. Yupp, G. St. Pierre, T.J. Keith, and Renae B. Deaton.

If there are any questions regarding this transmittal, please contact me at 561-304-5639.

Sincerely,

John T. Butler

Enclosures

cc: parties of record, w/o exhibits

- COM \_\_\_\_\_
- APA \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- RAD \_\_\_\_\_
- SRC \_\_\_\_\_
- ADM \_\_\_\_\_
- OPC \_\_\_\_\_
- CLK \_\_\_\_\_

*4 of 10 containing petition*

DOCUMENT NUMBER-DATE

06343 SEP-1 =

FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

IN RE: Fuel and Purchase Power Cost ) Docket No. 110001-EI  
Recovery Clause and Generating )  
Performance Incentive Factor ) Filed: September 1, 2011  
\_\_\_\_\_ )

**PETITION OF FLORIDA POWER & LIGHT COMPANY FOR APPROVAL OF ITS LEVELIZED FUEL COST RECOVERY FACTORS AND CAPACITY COST RECOVERY FACTORS FOR JANUARY 2012 THROUGH DECEMBER 2012**

Florida Power & Light Company ("FPL"), pursuant to Order No. 9273 in Docket No. 74680-CI, Order No. 10093 in Docket No. 810001-EU, and Commission Directives of April 24 and April 30, 1980, hereby petitions the Commission (1) to approve (a) 4.131 cents per kWh as its levelized Fuel and Purchased Power Cost Recovery ("FCR") charge for non-time of use rates, and 1.204 and .925 as its seasonally differentiated time of use multipliers for the January 2012 through March 2012 and November 2012 through December 2012 billing periods and 1.592 and .824 as its seasonally differentiated time of use multipliers for the April 2012 through October 2012 billing period; (b) the Capacity Cost Recovery ("CCR") factors submitted as Attachment I to this Petition for the January 2012 through December 2012 billing period, with all such charges and factors to become effective starting with meter readings scheduled to be read on or after Cycle Day 1 and with the charges and factors described in (a) and (b) to remain in effect until modified by subsequent order of this Commission; (2) to approve FPL's revised actual/estimated Fuel Cost Recovery ("FCR") true-up of \$109,641,629 under-recovery and revised actual/estimated Capacity Cost Recovery ("CCR") true-up of \$25,243,602 over-recovery, both of which incorporate actual data through July 2011. In support of this Petition, FPL incorporates the prepared written testimony and exhibits of FPL witnesses T.J. Keith, G. J. Yupp, G. St. Pierre and Renae B. Deaton, and FPL states as follows:

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06343 SEP-1 =

FPSC-COMMISSION CLERK

1. In Order No. PSC-11-0216-PAA-EI, issued in Docket No. 100358-EI on May 11, 2011, the Commission directed FPL to investigate whether TOU fuel factors based on marginal costs would benefit its customers and provide system benefits, and to report back its finding to the Commission in testimony in this year's proceeding. Additionally, the Commission directed FPL to investigate whether TOU fuel factors based on seasonal differentiation would benefit its customers. Although FPL believes that its current methodology for calculating TOU fuel factors based on average total system fuel costs is reasonable and has been approved by the Commission in prior annual fuel proceedings, FPL also agrees that calculating TOU fuel factors based on marginal fuel costs increases the on-peak and off-peak differential and provides a stronger price signal to customers. Additionally, FPL believes that using seasonally differentiated fuel costs to develop the TOU fuel factors better tracks the cost of fuel during the months when such costs are expected to be incurred. In order to provide the Commission with complete information on the available alternatives for calculating the TOU fuel factors, FPL has provided three sets of TOU fuel factors for the period January 2012 through December 2012. Appendix II contains 2012 TOU fuel factors calculated using seasonally differentiated marginal fuel costs. Appendix III contains 2012 TOU factors calculated using only marginal fuel costs. Appendix IV contains 2012 TOU fuel factors calculated using only average total system fuel costs. FPL proposes that the Commission approve FPL's 2012 TOU fuel factors based on seasonally differentiated marginal fuel costs, which are contained in Appendix II to the prepared testimony and exhibit of FPL witness T.J. Keith.

2. The revised actual/estimated FCR \$109,641,629 under-recovery for the period January 2011 through December 2011 was calculated in accordance with the methodology set forth in Schedule 1, page 2 of 2, attached to Order No. 10093, dated June 19, 1981. This actual/estimated FCR under-recovery has been revised from that filed on August 1, 2011 to

reflect July 2011 actual data. The supporting documentation is contained in Appendix II to the prepared testimony and exhibit of Mr. Keith.

3. FPL's total FCR under-recovery is \$155,140,123. This consists of the \$109,641,629 revised actual/estimated under-recovery for 2011 plus the final under-recovery of \$45,498,494 for the period ending December 2010 that was filed on March 1, 2011. FPL requests that this total under-recovery of \$155,140,123 be carried forward and included in the fuel factor for January 2012 through December 2012.

4. The revised actual/estimated CCR under-recovery for the period January 2011 through December 2011 was calculated in accordance with the methodology set forth in Schedule 1, page 2 of 2, attached to Order No. 10093, dated June 19, 1981. This actual/estimated CCR over-recovery has been revised from that filed on August 1, 2011 to reflect July 2011 actual data. The supporting documentation is contained in Appendix V to the prepared testimony and exhibit of Mr. Keith.

5. FPL's total CCR over-recovery is \$28,608,272. This consists of the \$25,243,602 revised actual/estimated over-recovery for 2011 plus the final over-recovery of \$3,364,670 for the period ending December 2010 filed on March 1, 2011. FPL requests that this total over-recovery of \$28,608,272 be carried forward and included in the CCR factors for January 2012 through December 2012.

6. The Commission issued Order No. 11-0089-S-EI in Docket Nos. 080677-EI and 090130-EI approving FPL's Recovery of the West County Energy Center Unit 3 (WCEC-3) non-fuel revenue requirements equal to the projected fuel savings associated with the operation of the unit until the next base proceeding. The recovery is accomplished through the CCR. FPL is allowed to collect annually through the CCR that portion of the annual jurisdictional revenue requirement associated with WCEC-3 that equals the projected annual fuel savings. Accordingly, FPL has included in the calculation of its CCR factors for the period January 2012 through

December 2012 an amount of \$166,860,714. This amount is the lesser of the projected 2012 WCEC-3 jurisdictional non-fuel revenue requirement and the projected 2012 WCEC-3 jurisdictional fuel savings. The calculation of the CCR, including the revenue requirement associated with WCEC-3 is contained in Appendix V to the prepared testimony and exhibit of Mr. Keith.

7. FPL's preliminary residential bill for 1,000 kWh beginning in January, 2012 is \$99.10. Of this amount, the base rate charges are \$43.03, the FCR charge is \$37.96, the CCR charge is \$9.69, the Environmental charge is \$2.00 and the amount of Gross Receipts Tax is \$2.48. The Conservation charge of \$2.85 is based on FPL's current estimates of its Conservation clause factors; however, they are subject to change when FPL files its September 13, 2011 projections for 2012. The Storm charge of \$1.09 is based on FPL's September 1, 2011 Storm factors. FPL does not have an estimate at this time of the Storm charge that will be in effect in January, 2012. FPL's preliminary residential bill for 1,000 kWh for the period January 2012 through December 2012 is shown on Schedule E10 in Appendix II to the testimony of FPL witness T.J. Keith.

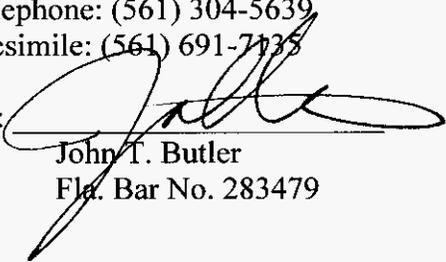
WHEREFORE, FPL respectfully requests this Commission (1) to approve (a) 4.131 cents per kWh as its levelized FCR charge for non-time differentiated rates and 1.204 and .925 as its seasonally differentiated time of use multipliers for the January 2012 through March 2012 and November 2012 through December 2012 billing periods and 1.472 and .860 as its seasonally differentiated time of use multipliers for the April 2012 through October 2012 billing period; and (b) the CCR factors submitted as Attachment I to this Petition for the January 2012 through December 2012 billing period, with all such charges and factors to become effective starting with meter readings scheduled to be read on Cycle Day 1 for January 2012 and with the charges and factors described in (a) and (b) to remain in effect until modified by subsequent order of this Commission; (2) to approve FPL's revised 2011 actual/estimated FCR true-up of 109,641,629

under-recovery and revised 2011 estimated/actual CCR true-up of \$25,243,602 over-recovery,  
both of which incorporate actual data through July 2011.

Respectfully submitted,

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By:



John T. Butler  
Fla. Bar No. 283479

**CERTIFICATE OF SERVICE**

**Docket No. 110001-EI**

**I HEREBY CERTIFY** that a true and correct copy of Florida Power & Light Company's Petition for Approval of the Fuel and Capacity Cost Recovery Factors for the Period January 2012 through December 2012 has been furnished by hand delivery (\*) or U.S. Mail on September 1, 2011 to the following:

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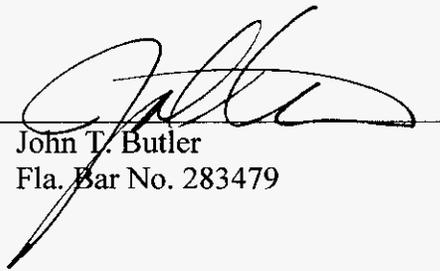
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By:



John T. Butler  
Fla. Bar No. 283479

FLORIDA POWER & LIGHT COMPANY  
 CALCULATION OF CAPACITY RECOVERY FACTOR INCLUDING WEST COUNTY ENERGY CENTER UNIT 3  
 JANUARY 2012 - DECEMBER 2012

Rate Schedule	Jan 2012 - Dec 2012 Capacity Recovery Factor		WCEC-3 Capacity Recovery Factor		Total Capacity Recovery Factor Jan 2012-Dec 2012	
	(\$/KW)	(\$/Kwh)	(\$/KW)	(\$/Kwh)	(\$/KW)	(\$/Kwh)
RS1/RST1	-	0.00800	-	0.00169	-	0.00969
GS1/GST1	-	0.00622	-	0.00186	-	0.00808
GSD1/GSDT1/HLFT1 (21-499 kW)	2.11	-	0.55	-	2.66	-
OS2	-	0.00312	-	0.00175	-	0.00487
GSLD1/GSLDT1/CS1/CST1/HLFT2 (500-1,999 kW)	2.45	-	0.63	-	3.08	-
GSLD2/GSLDT2/CS2/CST2/HLFT3(2,000+ kW)	2.39	-	0.58	-	2.97	-
GSLD3/GSLDT3/CS3/CST3	2.84	-	0.79	-	3.63	-
ISST1D	**	-	**	-	**	-
ISST1T	**	-	**	-	**	-
SST1T	**	-	**	-	**	-
SST1D1/SST1D2/SST1D3	**	-	**	-	**	-
CILC D/CILC G	2.39	-	0.72	-	3.11	-
CILC T	2.35	-	0.73	-	3.08	-
MET	2.67	-	0.77	-	3.44	-
OL1/SL1/PL1	-	0.00062	-	0.00067	-	0.00129
SL2, GSCU1	-	0.00482	-	0.00093	-	0.00575

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FLORIDA POWER & LIGHT COMPANY  
 CALCULATION OF CAPACITY RECOVERY FACTOR INCLUDING WEST COUNTY ENERGY CENTER UNIT 3  
 JANUARY 2012 - DECEMBER 2012

CAPACITY RECOVERY FACTORS FOR STANDBY RATES

	Jan 2012 - Dec 2012 Capacity Recovery Factor		WCEC-3 Capacity Recovery Factor		Total Capacity Recovery Factor Jan 2012-Dec 2012	
	RDC	SDD	RDC	SDD	RDC	SDD
	<u>** (\$/KW)</u>	<u>** (\$/KW)</u>	<u>** (\$/KW)</u>	<u>** (\$/KW)</u>	<u>** (\$/KW)</u>	<u>** (\$/KW)</u>
ISST1D	\$0.32	\$0.15	\$0.08	\$0.04	\$0.40	\$0.19
ISST1T	\$0.32	\$0.15	\$0.07	\$0.04	\$0.39	\$0.19
SST1T	\$0.32	\$0.15	\$0.07	\$0.04	\$0.39	\$0.19
SST1D1/SST1D2/SST1D3	\$0.32	\$0.15	\$0.08	\$0.04	\$0.40	\$0.19

Demand Charge (RDD) =  $\frac{\text{Total Capacity Costs}}{\text{Projected Avg 12 CP @gen} \cdot (.10) \cdot \text{demand loss expansion factor}}$   
 12 months

Sum of Daily Demand =  $\frac{\text{Total Capacity Costs}}{\text{Projected Avg 12 CP @gen} \cdot (21 \text{ onpeak days}) \cdot \text{demand loss expansion factor}}$   
 Charge (DDC)  
 12 months

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