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December 31, 2018

-VIA ELECTRONIC FILING-

Ms. Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 20180155-EQ - Florida Power & Light Company's Petition for Approval of Regulatory Assets Related to the Retirements of Lauderdale Units 4 and 5 and Martin Units 1 and 2

Dear Ms. Stauffer:

At the December 11, 2018, Agenda Conference, the Florida Public Service Commission ("Commission") approved Florida Power & Light Company's ("FPL") Petition for Approval of Regulatory Assets Related to the Retirements of Lauderdale Units 4 and 5 and Martin Units 1 and 2 in the above referenced docket. That approval included both the approval of the creation of FPL's requested regulatory assets and FPL's proposal to defer recovery of those regulatory assets until rates are reset in a future rate proceeding.

In the course of preparing to record the retirement of Lauderdale Units 4 & 5 and Martin Units 1 & 2 in FPL's books and records for December 2018, FPL further refined the scope of the assets being retired. Through that process, FPL discovered that it had inadvertently excluded certain common (shared) assets related to the Lauderdale units from its capital recovery schedule estimate filed in its Petition and two exhibits (Exhibit 2 and Attachment KF-1) and in response to Commission Staff's Fourth Data Request No. 1 in this docket. The addition of these assets increases the Lauderdale Units 4 & 5 estimated capital recovery schedule from \$287 million to \$315 million. In addition, the capital recovery schedule for Martin Units 1 & 2 decreased slightly from \$372 million to \$369 million as a result of the scope refinement. For clarity, we have attached an updated Attachment KF-1 that provides the revised capital recovery schedules.

The correction of these estimates will have no impact on FPL's rates during the term of FPL's current Settlement Agreement as approved by the Commission, nor does it substantively affect the Commission's approval in this docket of the creation of the regulatory assets for the retirement of Lauderdale Units 4 & 5 and Martin Units 1 & 2 or the deferral of their cost recovery to a future rate proceeding.

Thank you for your assistance. Please contact me should you or your staff have any questions regarding this filing.

Sincerely,

s/ William P. Cox
William P. Cox
Senior Attorney
Florida Bar No. 0093531

cc: Kurt Schrader, Office of the General Counsel
Patricia A. Christiansen, Office of the Public Counsel

**Florida Power & Light Company
 CAPITAL RECOVERY SCHEDULES**

Line No.	(1) Original Cost	(2) Book Reserve	(3) Total Unrecovered Cost
1	CAPITAL RECOVERY ACCOUNTS - BASE		
2			
3	Steam Plant Retirements		
4	<u>Martin Common</u>		
5	\$ 40,453,248	\$ 34,100,136	\$ 6,353,112
6	312 Boiler Plant Equipment	5,600,423	1,552,473
7	314 Turbogenerator Units	25,966,814	15,084,937
8	315 Accessory Electric Equipment	6,350,872	3,545,287
9	316 Miscellaneous Equipment	3,621,197	2,178,270
10	316.3 Misc Power Plt Equipmt - 3Yr	228,089	82,058
11	316.5 Misc Power Plt Equipmt - 5Yr	622,179	338,310
12	316.7 Misc Power Plt Equipmt - 7Yr	3,264,141	1,598,205
13	<u>Martin Common Total</u>	<u>86,106,963</u>	<u>58,479,676</u>
14			
15	<u>Martin Unit 1</u>		
16	\$ 16,014,868	\$ 11,276,816	\$ 4,738,052
17	311 Structures & Improvements	142,428,148	91,429,378
18	312 Boiler Plant Equipment	90,783,062	48,449,125
19	314 Turbogenerator Units	20,124,332	15,365,838
20	315 Accessory Electric Equipment	2,375,191	1,568,773
21	<u>Martin Unit 1 Total</u>	<u>271,725,601</u>	<u>168,089,930</u>
22			
23	<u>Martin Unit 2</u>		
24	\$ 11,144,740	\$ 8,145,405	\$ 2,999,335
25	311 Structures & Improvements	141,649,888	92,721,158
26	312 Boiler Plant Equipment	73,269,806	34,433,204
27	314 Turbogenerator Units	18,641,692	13,618,246
28	315 Accessory Electric Equipment	1,956,703	1,360,491
29	<u>Martin Unit 2 Total</u>	<u>246,662,829</u>	<u>150,278,504</u>
30	<u>Total for Martin Units 1 & 2</u>	<u>604,495,393</u>	<u>227,647,282</u>
31			
32	Other Production Plant Retirements		
33	<u>Lauderdale Common</u>		
34	\$ 39,406,488	\$ 29,198,763	\$ 10,207,725
35	341 Structures and Improvements	3,179,547	2,247,508
36	342 Fuel Holders, Producers and Accessories	6,914,553	(8,503,804)
37	343 Prime Movers - General	4,466,028	(6,666,457)
38	343.2 Prime Movers - CSP	653,606	448,777
39	344 Generators	11,751,979	9,828,850
40	345 Accessory Electric Equipment	939,266	365,869
41	<u>Lauderdale Common Total</u>	<u>67,311,467</u>	<u>40,391,961</u>
42			
43	<u>Lauderdale Unit 4</u>		
44	\$ 4,917,716	\$ 3,641,997	\$ 1,275,719
45	341 Structures and Improvements	704,379	538,311
46	342 Fuel Holders, Producers and Accessories	129,619,197	33,387,681
47	343 Prime Movers - General	38,763,114	6,024,372
48	343.2 Prime Movers - CSP	28,695,633	21,298,161
49	344 Generators	28,939,637	21,074,799
50	345 Accessory Electric Equipment	2,532,630	1,969,503
51	<u>Lauderdale Unit 4 Total</u>	<u>234,172,306</u>	<u>87,934,823</u>
52			
53	<u>Lauderdale Unit 5</u>		
54	\$ 3,096,519	\$ 2,155,827	\$ 940,692
55	341 Structures and Improvements	721,518	543,831
56	342 Fuel Holders, Producers and Accessories	120,468,778	53,668,966
57	343 Prime Movers - General	45,274,272	(492,158)
58	343.2 Prime Movers - CSP	30,758,096	24,203,605
59	344 Generators	24,315,087	17,243,479
60	345 Accessory Electric Equipment	1,747,218	1,364,395
61	<u>Lauderdale Unit 5 Total</u>	<u>226,381,488</u>	<u>98,687,945</u>
62	<u>Total for Lauderdale Units 4 & 5</u>	<u>527,865,261</u>	<u>314,322,988</u>
63			
64	Transmission Plant Retirements		
65	<u>Martin Transmission</u>		
66	2,771,110	1,198,727	1,572,383
67	353 Station Equipment	15,277,382	9,650,502
68	<u>Martin Transmission Total</u>	<u>18,048,491</u>	<u>10,849,229</u>
69			
70	<u>TOTAL CAPITAL RECOVERY ACCOUNTS - BASE</u>	<u>\$ 1,150,409,145</u>	<u>\$ 601,239,613</u>

Notes:

Retirement date for Lauderdale Units 4 & 5 - December 05, 2018
 Retirement date for Martin Units 1 & 2 - December 31, 2018

**Florida Power & Light Company
 CAPITAL RECOVERY SCHEDULES**

Line No.	(1) Original Cost	(2) Book Reserve	(3) Total Unrecovered Cost
1	CAPITAL RECOVERY ACCOUNTS - CLAUSE		
2			
3	Steam Plant Retirements		
4	<u>Martin Common</u>		
5	\$ 2,169,501	\$ 674,716	\$ 1,494,785
6	312 Boiler Plant Equipment 644,236	146,137	498,099
7	314 Turbogenerator Units 287,258	72,042	215,216
8	315 Accessory Electric Equipment 34,755	8,603	26,152
9	316 Miscellaneous Equipment 23,107	16,095	7,012
10	316.5 Misc Power Plt Equipmt - 5Yr 58,206	72,344	(14,138)
11	316.7 Misc Power Plt Equipmt - 7Yr 66,897	42,775	24,122
12	<u>Martin Common Total</u>	<u>1,032,712</u>	<u>2,251,248</u>
13			
14	<u>Martin Unit 1</u>		
15	\$ 298,228	\$ 138,292	\$ 159,936
16	312 Boiler Plant Equipment 67,295,283	13,036,159	54,259,124
17	314 Turbogenerator Units 7,499,709	1,706,801	5,792,908
18	315 Accessory Electric Equipment 4,322,420	552,284	3,770,136
19	316 Miscellaneous Equipment 1,012,007	129,014	882,993
20	<u>Martin Unit 1 Total</u>	<u>15,562,550</u>	<u>64,865,097</u>
21			
22	<u>Martin Unit 2</u>		
23	\$ 121,923	\$ 32,328	\$ 89,595
24	312 Boiler Plant Equipment 69,370,887	12,755,765	56,615,122
25	314 Turbogenerator Units 7,477,119	2,022,579	5,454,540
26	315 Accessory Electric Equipment 4,449,269	472,504	3,976,765
27	316 Miscellaneous Equipment 1,039,547	110,058	929,489
28	<u>Martin Unit 2 Total</u>	<u>15,393,235</u>	<u>67,065,510</u>
29	Total for Martin Units 1 & 2	31,988,497	134,181,855
30			
31	<u>Lauderdale Common</u>		
32	\$ 64,251	\$ 59,813	\$ 4,438
33	345 Accessory Electric Equipment 34,502	17,290	17,212
34	<u>Lauderdale Common Total</u>	<u>77,103</u>	<u>21,650</u>
35			
36	<u>Lauderdale Unit 4</u>		
37	\$ 438,897	\$ 334,502	\$ 104,395
38	<u>Lauderdale Unit 4 Total</u>	<u>334,502</u>	<u>104,395</u>
39			
40	<u>Lauderdale Unit 5</u>		
41	\$ 556,425	\$ 493,731	\$ 62,694
42	<u>Lauderdale Unit 5 Total</u>	<u>493,731</u>	<u>62,694</u>
43	Total for Lauderdale Units 4 & 5	905,336	188,739
44			
45			
46	TOTAL CAPITAL RECOVERY ACCOUNTS - CLAUSE	32,893,833	134,370,594
47	CAPITAL RECOVERY ACCOUNTS - BASE	601,239,613	549,169,532
48	CAPITAL RECOVERY ACCOUNTS - TOTAL	\$ 634,133,446	\$ 683,540,127

Notes:

Retirement date for Lauderdale Units 4 & 5 - December 05, 2018
 Retirement date for Martin Units 1 & 2 - December 31, 2018