

ORIGINAL

**BEFORE THE FLORIDA  
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 930007-EI  
FLORIDA POWER & LIGHT COMPANY**

**JANUARY 2, 1998**

**ENVIRONMENTAL COST RECOVERY**

**FINAL TRUE-UP  
OCTOBER 1996 THROUGH SEPTEMBER 1997**

**TESTIMONY & EXHIBITS OF:**

**K. DUBIN**

DOCUMENT NUMBER DATE

00014 JAN-28

FPSC-RECORDS/REPORTING

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**FLORIDA POWER & LIGHT COMPANY**

**TESTIMONY OF KOREL M. DUBIN**

**DOCKET NO. 980007-EI**

January 2, 1998

1 Q. Please state your name and address.

2 A. My name is Korel M. Dubin and my business address is 9250 West Flagler  
3 Street, Miami, Florida, 33174.

4  
5 Q. By whom are you employed and in what capacity?

6 A. I am employed by Florida Power & Light Company (FPL) as a Principal  
7 Rate Analyst in the Rates and Tariffs Department.

8  
9 Q. Have you previously testified in this docket?

10 A. Yes, I have.

11  
12 Q. What is the purpose of your testimony?

13 A. The purpose of my testimony is to present for Commission review and  
14 approval the Environmental Compliance True-Up Costs associated with  
15 our Environmental Compliance activities for the period October 1996

1 through September 1997.

2

3 **Q. Have you prepared or caused to be prepared under your direction,**  
4 **supervision or control an exhibit in this proceeding?**

5 A. Yes, I have. It consists of eight forms. Form 42-1A reflects the final true-  
6 up to be carried forward to the October 1998 - September 1999 period,  
7 Form 42-2A consists of the final true-up calculation for the period, Form  
8 42-3A consists of the calculation of the Interest Provision for the period,  
9 Form 42-4A reflects the calculation of variances between actual and  
10 estimated/actual costs for O & M Activities, Form 42-5A presents a  
11 summary of actual monthly costs for the period for O & M Activities, Form  
12 42-6 reflects the calculation of variances between actual and  
13 estimated/actual costs for Capital Investment Projects, Form 42-7A  
14 presents a summary of actual monthly costs for the period for Capital  
15 Investment Projects and Form 42-8A (Page 1 of 19 through Page 19 of 19)  
16 consists of the calculation of depreciation expense and return on capital  
17 investment.

18

19 **Q. What is the source of the data which you will present by way of**  
20 **testimony or exhibits in this proceeding?**

21 A. Unless otherwise indicated, the actual data is taken from the books and  
22 records of FPL. The books and records are kept in the regular course of  
23 our business in accordance with generally accepted accounting principles

1 and practices, and provisions of the Uniform System of Accounts as  
2 prescribed by this Commission.

3

4 **Q. What is the actual true-up amount which FPL is requesting for the**  
5 **twelve-month period October 1996 through September 1997?**

6 **A. FPL has calculated and is requesting approval of an overrecovery of**  
7 **\$20,629 as the actual true-up amount for the twelve-month period.**

8

9 **Q. What is the adjusted net true-up amount which FPL is requesting for**  
10 **the October 1996 through September 1997 period which is to be**  
11 **carried over and refunded in the next projection period?**

12 **A. FPL has calculated and is requesting approval of an overrecovery of**  
13 **\$2,157,919 as the adjusted net true-up amount for the twelve-month**  
14 **period. This adjusted net true-up amount is the difference between the**  
15 **actual overrecovery of \$20,629 for the period October 1996 through**  
16 **September 1997 and the estimated/actual true-up for the same period of**  
17 **an overrecovery of \$2,137,290, approved in FPSC Order No. PSC-97-**  
18 **1047-FOF-EI. This is shown on Form 42-1A.**

19

20 **Q. Is this true-up calculation consistent with the true-up methodology**  
21 **used for the other cost recovery clauses?**

22 **A. Yes, it is. The calculation of the true-up amount follows the procedures**  
23 **established by this Commission as set forth on Commission Schedule A-2**

1 "Calculation of True-Up and Interest Provisions" for the Fuel Cost  
2 Recovery Clause.

3  
4 Q. Are all costs listed in Forms 42-4A through 42-8A attributable to  
5 Environmental Compliance projects approved by the Commission?

6 A. Yes they are.

7  
8 Q. How did actual expenditures for October 1996 through September  
9 1997 compare with FPL's estimated/actual projections as presented  
10 in previous testimony and exhibits?

11 A. Overall, costs were \$2,145,493 lower than estimated/actual projections.  
12 O & M Activities were \$2,150,959 lower and Capital Investment Projects  
13 were \$5,466 higher than estimated/actual projections. Below are variance  
14 explanations for those O & M Activities and Capital Investment Projects  
15 with significant variances. All variances are provided in detail on Forms  
16 42-2A through 42-8A.

17  
18 Significant variances by project were as follows:

19  
20 1. CONTINUOUS EMISSION MONITORING SYSTEMS - O & M  
21 Project expenditures were \$76,193 less than anticipated. This  
22 variance was due to continued reliability of system components,  
23 allowing for fewer repairs and less need for replacement of the

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monitoring equipment than originally predicted. In addition, the cost of scheduled replacement of the data acquisition computers used in this system was less than anticipated.

2. MAINTENANCE OF STATIONARY ABOVE GROUND FUEL STORAGE TANKS - O & M

Project expenditures were \$376,716 less than anticipated. This variance was the result of a delay in starting the reconditioning of the Sanford Plant C Tank. This delay was the result of the need for additional time in order to obtain repair bids based on the condition assessment of the cleaned tank. The project activities are back on schedule and the expenditures will be made during the next reporting period.

3. OIL SPILL CLEANUP / RESPONSE EQUIPMENT - O & M

Project expenditures were \$80,924 less than anticipated. This variance was the result of the Natural Resource Damage Assessment project and the Oil Spill Trajectory Modeling project not starting during this period as originally planned. The delay was due to the development of a revised oil spill trajectory model and revising the scope of the Natural Resource Damage Assessment project. The project activities are back on schedule and the expenditures will be made during the next reporting period.

1 4. RCRA CORRECTIVE ACTION - O & M

2 Project expenditures were \$152,881 less than anticipated. The  
3 Environmental Protection Agency (EPA) was unable to schedule  
4 the Visual Site Inspections at Manatee Plant, Port Everglades Plant  
5 and Sanford Plant as originally anticipated. These three plants  
6 have not been scheduled by the EPA at this time, however,  
7 expenditures will be made when EPA schedules are finalized.

8  
9 5. NPDES PERMIT FEES - O & M

10 The St. Lucie Nuclear Plant was erroneously omitted from the  
11 projections causing the \$11,500 overrun for the reporting period.

12  
13 5. DISPOSAL OF NONCONTAINERIZED LIQUID WASTE - O & M

14 Project expenditures were \$293,708 less than anticipated. Due to  
15 a limited crew size during the reporting period, only 2,000 tons of  
16 ash could be processed as opposed to the originally estimated  
17 8,000 tons of ash from the Manatee Plant. In order to correct the  
18 situation, a second crew has been added to the process and will  
19 result in an overrun during the next reporting period.

20  
21 6. SUBSTATION POLLUTANT DISCHARGE PREVENTION AND REMOVAL  
22 - O & M

23 Project expenditures were \$1,181,862 less than anticipated. This  
24 variance was primarily due to remediation activities that did not

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start as originally projected. Soil samples (primarily of Dade and Broward Counties) took longer to analyze than anticipated and has delayed coordination with the appropriate agencies (i.e. Florida Department of Environmental Protection and the Department of Environmental Resource Management). Analytical data should be complete by 12/31/97 followed by continued coordination with environmental agencies.

Problems were encountered during the bid process to secure qualified vendors (i.e. demonstrate safe work practices and environmental commitment) for the encapsulation work. The bid process was delayed by two months creating underruns.

Additionally, actual leak repair and prevention activities have resulted in the identification of more discharges than originally estimated. The additional leak repair activities are delaying the encapsulation and remediation activities. A statistical survey is being conducted to help determine if the additional leakage is isolated or potentially impacts the rest of the transformer population.

- Q. Does this conclude your testimony?**
- A. Yes, it does.**



Florida Power & Light Company  
 Environmental Cost Recovery Clause  
 Calculation of the Final True-up for the 12 Month Period  
 October 1996 through September 1997

Line No.		
	<u>Period ending March 31, 1997</u>	
1	Over/(Under) Recovery for the Current Period (Form 42-2A, Page 1 of 2, Line 5)	(\$2,058,691)
2	Interest Provision (Form 42-2A, Page 1 of 2, Line 6)	(11,203)
3	True-Up for the period	<hr/> (\$2,069,894)
	<u>Period ending September 30, 1997</u>	
4	Over/(Under) Recovery for the Current Period (Form 42-2A, Page 2 of 2, Line 5)	\$2,120,470
5	Interest Provision (Form 42-2A, Page 2 of 2, Line 6)	(29,947)
6	True-Up for the period	<hr/> \$2,090,523
7	Final True-Up to be refunded/(recovered) in October 1997 through September 1998 Period	<hr/> \$20,629
8	Less - estimated/Actual True-Up to be refunded/(recovered) in October 1997 through September 1998 Period (Per Order No. PSC-1047-FOF-EI, dated September 5, 1997)	(\$2,137,290)
9	Final True-Up to be refunded/(recovered) in October 1998 through September 1999 Period	<hr/> \$2,157,919
	( ) Reflects Underrecovery	

Florida Power & Light Company  
Environmental Cost Recovery Clause  
Calculation of the Final True-up Amount  
for the Period October 1996 to March 1997

Line No.	October	November	December	January	February	March	End of Period Amount
1 ECRC Revenues (net of Revenue Taxes)	\$1,102,171	\$984,983	\$899,570	\$945,024	\$933,597	\$944,502	\$5,769,848
2 True-up Provision (Order No. PSC-96-1171-FOF-EI)	(5,529)	(5,529)	(5,529)	(5,529)	(5,529)	(5,529)	(33,173)
3 ECRC Revenues Applicable to Period (Lines 1 + 2)	1,096,642	979,454	894,041	939,495	928,068	938,974	5,736,675
4 Jurisdictional ECRC Costs							
a - O&M Activities (Form 42-6E, Line 9)	565,175	474,393	1,430,549	92,340	159,108	2,318,058	5,039,623
b - Capital Investment Projects (Form 42-7E, Line 9)	461,887	460,685	459,833	461,810	484,923	488,805	2,775,743
c - Total Jurisdictional ECRC Costs	1,027,062	935,078	1,890,382	553,950	624,031	2,784,863	7,815,366
5 Over/(Under) Recovery (Line 3 - Line 4c)	69,580	24,376	(996,341)	385,545	304,037	(1,845,889)	(2,058,691)
6 Interest Provision (Form 42-3E, Line 10)	184	422	(1,336)	(3,269)	(1,547)	(5,157)	(11,203)
7 Beginning Balance True-Up & Interest Provision	(66,345)	8,948	39,275	(953,373)	(565,568)	(257,549)	(66,345)
a - Deferred True-Up from October 1996 to March 1996 (Form 42-1A, Line 3)	69,606	69,606	69,606	69,606	69,606	69,606	69,606
8 True-Up Collected / (Refunded) (See Line 2)	5,529	5,529	5,529	5,529	5,529	5,529	33,173
9 End of Period True-Up (Lines 5+6+7+7a+8)	78,554	108,881	(883,767)	(495,962)	(187,943)	(2,033,461)	(2,033,461)
10 Adjustments to Period Total True-Up Including Interest							
11 End of Period Total Net True-Up (Lines 9+10)	\$78,554	\$108,881	(\$883,767)	(\$495,962)	(\$187,943)	(\$2,033,461)	(\$2,033,461)

Florida Power & Light Company  
Environmental Cost Recovery Clause  
Calculation of the Final True-up Amount for the Period  
April to September 1997

Line No.	April	May	June	July	August	September	End of Period Amount
1 ECRC Revenues (net of Revenue Taxes)	\$621,686	\$850,085	\$1,127,414	\$1,199,145	\$1,219,312	\$1,235,062	\$6,652,704
2 True-up Provision (Order No. PSC-96-1171-FOF-EI)	(5,529)	(5,529)	(5,529)	(5,529)	(5,529)	(5,529)	(33,173)
3 ECRC Revenues Applicable to Period (Lines 1 + 2)	916,157	944,556	1,121,885	1,193,616	1,213,783	1,229,533	6,619,531
4 Jurisdictional ECRC Costs							
a - O&M Activities (Form 42-5A, Line 9)	138,801	198,390	232,288	342,502	194,613	459,194	1,565,788
b - Capital Investment Projects (Form 42-7A, Line 9)	537,596	484,317	480,950	478,898	478,403	475,109	2,833,273
c - Total Jurisdictional ECRC Costs	676,397	682,707	713,238	821,400	671,016	934,303	4,499,061
5 Over/(Under) Recovery (Line 3 - Line 4c)	239,760	261,849	408,647	372,216	542,767	295,230	2,120,470
6 Interest Provision (Form 42-3A, Line 10)	(9,045)	(7,777)	(6,220)	(4,390)	(2,238)	(277)	(29,947)
7 Beginning Balance True-Up & Interest Provision	(2,103,066)	(1,866,822)	(1,807,221)	(1,199,265)	(825,910)	(279,852)	(2,103,066)
a - Deferred True-Up from April to September 1997 (Form 42-1A, Line 3)	69,606	69,606	69,606	69,606	69,606	69,606	69,606
8 True-Up Collected / (Refunded) (See Line 2)	5,529	5,529	5,529	5,529	5,529	5,529	33,173
9 End of Period True-Up (Lines 5+6+7+7a+8)	(1,797,216)	(1,537,615)	(1,129,659)	(756,304)	(210,246)	90,236	90,236
10 Adjustments to Period Total True-Up Including Interest							
11 End of Period Total Net True-Up (Lines 9+10)	(\$1,797,216)	(\$1,537,615)	(\$1,129,659)	(\$756,304)	(\$210,246)	\$90,236	\$90,236

Florida Power & Light Company  
Environmental Cost Recovery Clause  
Calculation of the Final True-Up Amount  
for the Period October 1996 to March 1997

Interest Provision (in Dollars)

Line No.	October	November	December	January	February	March	End of Period Amount
1	\$3,281	\$78,554	\$108,861	(\$883,767)	(\$485,962)	(\$187,943)	(\$1,378,879)
2	78,370	108,459	(681,931)	(492,693)	(188,389)	(2,028,304)	(3,402,485)
3	\$81,631	\$187,013	(\$773,050)	(\$1,378,460)	(\$662,356)	(\$2,218,247)	(\$4,779,471)
4	\$40,816	\$83,507	(\$388,525)	(\$688,230)	(\$341,179)	(\$1,108,124)	(\$2,389,739)
5	5.44000%	5.38000%	5.45000%	5.85000%	5.45000%	5.43000%	N/A
6	5.38000%	5.45000%	5.85000%	5.45000%	5.43000%	5.74000%	N/A
7	10.82000%	10.83000%	11.40000%	11.40000%	10.88000%	11.17000%	N/A
8	5.41000%	5.41500%	5.70000%	5.70000%	5.44000%	5.58500%	N/A
9	0.45083%	0.45125%	0.47500%	0.47500%	0.45333%	0.46542%	N/A
10	\$184	\$422	(\$1,836)	(\$3,269)	(\$1,547)	(\$5,157)	(\$11,203)

Florida Power & Light Company  
Environmental Cost Recovery Clause  
Calculation of the Final True-up Amount for the Period  
April to September 1997

Line No.	Interest Provision (in Dollars)						End of Period Amount	
	April	May	June	July	August	September		
1	Beginning True-Up Amount (Form 42-2A, Lines 7 + 7a + 10)	(\$2,033,460)	(\$1,797,216)	(\$1,537,615)	(\$1,129,659)	(\$756,304)	(\$210,248)	(\$7,484,500)
2	Ending True-Up Amount before Interest (Line 1 + Form 42-2A, Lines 5 + 8)	(1,768,171)	(1,529,638)	(1,123,439)	(751,914)	(208,008)	90,513	(5,310,857)
3	Total of Beginning & Ending True-Up (Lines 1 + 2)	(\$3,821,631)	(\$3,327,054)	(\$2,661,054)	(\$1,881,573)	(\$964,312)	(\$119,733)	(\$12,775,357)
4	Average True-Up Amount (Line 3 x 1/2)	(\$1,910,816)	(\$1,663,527)	(\$1,330,527)	(\$940,787)	(\$482,156)	(\$56,867)	(\$6,387,879)
5	Interest Rate (First Day of Reporting Month)	5.74000%	5.62000%	5.60000%	5.62000%	5.58000%	5.58000%	N/A
6	Interest Rate (First Day of Subsequent Month)	5.62000%	5.60000%	5.62000%	5.58000%	5.56000%	5.53000%	N/A
7	Total of Beginning & Ending Interest Rates (Lines 5 + 6)	11.36000%	11.22000%	11.22000%	11.20000%	11.14000%	11.09000%	\
8	Average Interest Rate (Line 7 x 1/2)	5.68000%	5.61000%	5.61000%	5.60000%	5.57000%	5.54500%	N/A
9	Monthly Average Interest Rate (Line 8 x 1/12)	0.47333%	0.46750%	0.46750%	0.46667%	0.46417%	0.46208%	N/A
10	Interest Provision for the Month (Line 4 x Line 9)	(\$9,045)	(\$7,777)	(\$6,220)	(\$4,390)	(\$2,238)	(\$277)	(\$29,947)

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Final True-Up Amount for the Period**  
**October 1996 - September 1997**

**Variance Report of O&M Activities**  
**(in Dollars)**

Line	(1)	(2)	(3) Variance	
	Actual	Estimated Actual	Amount	Percent
1 Description of O&M Activities				
1 Air Operating Permit Fees-O&M	\$1,868,958	\$1,869,133	(\$175)	0.0%
3a Continuous Emission Monitoring Systems-O&M	\$734,918	\$811,111	(\$76,193)	-9.4%
4a Clean Closure Equivalency-O&M	\$1,000	\$1,000	\$0	0.0%
5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	\$953,342	\$1,330,058	(\$376,716)	-28.3%
5c Maintenance of Stationary Above Ground Fuel Storage Tanks-Spill Abatement	\$0	\$0	\$0	0.0%
8a Oil Spill Cleanup/Response Equipment-O&M	\$164,493	\$245,417	(\$80,924)	-33.0%
8c Oil Spill Cleanup/Response Equipment-Revenue	\$0	\$0	\$0	0.0%
9 Low-Level Radioactive Waste Access Fees-O&M	\$0	\$0	\$0	0.0%
13 RCRA Corrective Action-O&M	\$2,354,871	\$2,507,752	(\$152,881)	-6.1%
14 NPDES Permit Fees-O&M	\$124,943	\$113,443	\$11,500	10.1%
17a Disposal of Noncontainerized Liquid Waste-O&M	\$219,445	\$513,153	(\$293,708)	-57.2%
19a Substation Pollutant Discharge Prevention & Removal - Distribution - O&M	\$414,798	\$1,303,518	(\$888,720)	-68.2%
19b Substation Pollutant Discharge Prevention & Removal - Transmission - O&M	\$53,361	\$346,503	(\$293,142)	-84.6%
19c Substation Pollutant Discharge Prevention & Removal - Costs Included in Base Rates	(\$140,058)	\$0	(\$140,058)	100.0%
2 Total O&M Activities	\$6,750,071	\$9,041,088	(\$2,291,017)	-25.3%
3 Recoverable Costs Allocated to Energy	\$2,986,532	\$3,465,469	(\$473,549)	-13.7%
4a Recoverable Costs Allocated to CP Demand	\$3,418,770	\$4,272,101	(\$788,690)	-18.5%
4b Recoverable Costs Allocated to GCP Demand	\$344,769	\$1,303,518	(\$888,720)	-68.2%

## Notes:

Column(1) is the End of Period Totals on Form 42-5A

Column(2) is the approved Estimated/Actual amount in accordance with  
 FPSC Order No. PSC-97-1047-FOF-EI

Column(3) = Column(1) - Column(2)

Column(4) = Column(3) / Column(2)

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Final True-Up Amount for the Period**  
**October 1996 - September 1997**

O&M Activities  
(In Dollars)

Line	Actual OCT	Actual NOV	Actual DEC	Actual JAN	Actual FEB	Actual MAR	End 6-Month Sub-Total
<b>1 Description of O&amp;M Activities</b>							
1 Air Operating Permit Fees-O&M	\$ 4,773	\$ 4,773	\$ 4,773	\$ 4,773	\$ 4,773	\$ 1,816,601	\$ 1,840,466
3a Continuous Emission Monitoring Systems-O&M	90,617	40,771	97,684	11,855	34,824	99,888	375,639
4a Clean Closure Equivalency-O&M	0	0	1,000	0	0	0	1,000
5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	152,000	161,378	28,526	2,738	2,570	358,510	703,722
5c Maintenance of Stationary Above Ground Fuel Storage Tanks-Spill Abatement	0	0	0	0	0	0	0
6a Oil Spill Cleanup/Response Equipment-O&M	1,674	14,158	71,318	17,173	6,923	29,175	140,421
9 Low-Level Radioactive Waste Access Fees-O&M	0	0	0	0	0	0	0
13 RCRA Corrective Action-O&M	330,719	265,774	1,264,882	58,024	(12,066)	(1,065)	1,908,268
14 NPDES Permit Fees-O&M	0	0	0	0	125,800	0	125,800
17a Disposal of Noncontainerized Liquid Waste-O&M	0	0	0	0	218	62,109	62,327
19a Substation Pollutant Discharge Prevention & Removal - Distribution - O&M	0	0	0	0	0	0	0
19b Substation Pollutant Discharge Prevention & Removal - Transmission - O&M	0	0	0	0	0	0	0
19c Substation Pollutant Discharge Prevention & Removal - Costs Included in Base Rates	0	0	0	0	0	0	0
<b>2 Total of O&amp;M Activities</b>	<b>\$ 579,783</b>	<b>\$ 486,854</b>	<b>\$ 1,468,183</b>	<b>\$ 94,563</b>	<b>\$ 163,042</b>	<b>\$ 2,363,218</b>	<b>\$ 5,155,643</b>
<b>3 Recoverable Costs Allocated to Energy</b>	<b>\$ 97,064</b>	<b>\$ 59,702</b>	<b>\$ 173,775</b>	<b>\$ 33,801</b>	<b>\$ 46,738</b>	<b>\$ 2,007,773</b>	<b>\$ 2,418,853</b>
4a Recoverable Costs Allocated to CP Demand	\$ 482,719	\$ 427,152	\$ 1,294,408	\$ 60,762	\$ 116,304	\$ 355,445	\$ 2,736,790
4b Recoverable Costs Allocated to GCP Demand	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
5 Retail Energy Jurisdictional Factor	98.22320%	98.22320%	98.22320%	98.22320%	98.22320%	98.22320%	
6a Retail CP Demand Jurisdictional Factor	97.33111%	97.33111%	97.33111%	97.33111%	97.33111%	97.33111%	
6b Retail GCP Demand Jurisdictional Factor	99.89826%	99.89826%	99.89826%	99.89826%	99.89826%	99.89826%	
7 Jurisdictional Energy Recoverable Costs (A)	\$ 95,339	\$ 58,641	\$ 170,687	\$ 33,200	\$ 45,908	\$ 1,972,099	\$ 2,375,874
8a Jurisdictional CP Demand Recoverable Costs (B)	\$ 469,836	\$ 415,752	\$ 1,259,862	\$ 59,140	\$ 113,200	\$ 345,959	\$ 2,663,749
8b Jurisdictional GCP Demand Recoverable Costs (C)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>9 Total Jurisdictional Recoverable Costs for O&amp;M Activities</b>	<b>\$ 565,175</b>	<b>\$ 474,393</b>	<b>\$ 1,430,549</b>	<b>\$ 92,340</b>	<b>\$ 159,108</b>	<b>\$ 2,318,058</b>	<b>\$ 5,039,623</b>

## Notes:

(A) Line 3 x Line 5

(B) Line 4a x Line 6a

(C) Line 4b x Line 6b

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Final True-Up Amount for the Period**  
**October 1986 - September 1987**

**O&M Activities**  
(in Dollars)

Line	Actual	Actual	Estimated	Estimated	Estimated	Estimated	6-Month	12-Month	Method of Classification			
	APR	MAY	JUN	JUL	AUG	SEP	Sub-Total	Total	CP Demand	GCP Demand	Energy	
<b>1 Description of O&amp;M Activities</b>												
1 Air Operating Permit Fees-O&M	\$ 4,773	\$ 4,802	\$ 4,598	\$ 4,773	\$ 4,773	\$ 4,773	\$ 28,492	\$ 1,868,958	-	-	\$ 1,868,958	
3a Continuous Emission Monitoring Systems-O&M	94,023	87,449	11,624	90,758	7,908	67,521	359,279	734,918	-	-	734,918	
4a Clean Closure Equivalency-O&M	0	0	0	0	0	0	0	1,000	1,000	-	-	
5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	10,164	16,172	152,983	(15,484)	84,091	1,724	249,620	953,342	953,342	-	-	
5c Maintenance of Stationary Above Ground Fuel Storage Tanks-Spill Abatement	0	0	0	0	0	0	0	0	0	-	-	
8a Oil Spill Cleanup/Response Equipment-O&M	(895)	4,891	3,875	4,952	4,848	6,403	24,072	164,493	-	-	164,493	
9 Low-Level Radioactive Waste Access Fees-O&M	0	0	0	0	0	0	0	0	-	-	0	
13 RCRA Corrective Action-O&M	22,221	78,263	31,034	187,429	57,751	71,905	448,603	2,354,871	2,354,871	-	-	
14 NPDES Permit Fees-O&M	0	(12,357)	11,500	0	857	(857)	(857)	124,943	124,943	-	-	
17a Disposal of Noncontainerized Liquid Waste-O&M	11,322	23,504	22,652	24,121	48,234	29,285	157,118	219,445	-	-	219,445	
19a Substation Pollutant Discharge Prevention & Removal - Distribution - O&M	0	0	0	98,913	38,856	277,029	414,798	414,798	-	414,798	-	
19b Substation Pollutant Discharge Prevention & Removal - Transmission - O&M	0	0	0	0	375	52,986	53,361	53,361	49,256	-	4,105	
19c Substation Pollutant Discharge Prevention & Removal - Costs Included in Base Rates	0	0	0	(46,686)	(46,686)	(46,686)	(140,058)	(140,058)	(84,842)	(70,029)	(5,387)	
<b>2 Total of O&amp;M Activities</b>	<b>\$ 141,808</b>	<b>\$ 202,724</b>	<b>\$ 238,288</b>	<b>\$ 348,774</b>	<b>\$ 198,973</b>	<b>\$ 484,083</b>	<b>\$ 1,594,428</b>	<b>\$ 6,750,071</b>	<b>\$ 3,418,770</b>	<b>\$ 344,769</b>	<b>\$ 2,988,532</b>	
<b>3 Recoverable Costs Allocated to Energy</b>	<b>\$ 109,223</b>	<b>\$ 120,648</b>	<b>\$ 42,749</b>	<b>\$ 122,806</b>	<b>\$ 61,992</b>	<b>\$ 110,262</b>	<b>\$ 567,678</b>	<b>\$ 2,988,532</b>				
4a Recoverable Costs Allocated to CP Demand	\$ 32,385	\$ 82,078	\$ 195,517	\$ 150,398	\$ 121,466	\$ 100,135	\$ 681,981	\$ 3,418,770				
4b Recoverable Costs Allocated to GCP Demand	\$ -	\$ -	\$ -	\$ 75,570	\$ 15,513	\$ 253,686	\$ 344,769	\$ 344,769				
5 Retail Energy Jurisdictional Factor	98.22320%	98.22320%	98.22320%	98.22320%	98.22320%	98.22320%						
6a Retail CP Demand Jurisdictional Factor	97.33111%	97.33111%	97.33111%	97.33111%	97.33111%	97.33111%						
6b Retail GCP Demand Jurisdictional Factor	99.89826%	99.89826%	99.89826%	99.89826%	99.89826%	99.89826%						
7 Jurisdictional Energy Recoverable Costs (A)	\$ 107,282	\$ 118,502	\$ 41,989	\$ 120,824	\$ 60,891	\$ 108,303	\$ 557,591	\$ 2,933,465				
8a Jurisdictional CP Demand Recoverable Costs (B)	\$ 31,521	\$ 79,887	\$ 190,299	\$ 148,384	\$ 118,226	\$ 97,463	\$ 663,760	\$ 3,327,529				
8b Jurisdictional GCP Demand Recoverable Costs (C)	\$ 0	\$ 0	\$ -	\$ 75,493	\$ 15,497	\$ 253,426	\$ 344,418	\$ 344,418				
<b>9 Total Jurisdictional Recoverable Costs for O&amp;M Activities</b>	<b>\$ 138,803</b>	<b>\$ 198,389</b>	<b>\$ 232,288</b>	<b>\$ 342,501</b>	<b>\$ 194,614</b>	<b>\$ 459,194</b>	<b>\$ 1,565,789</b>	<b>\$ 6,605,412</b>				

Notes:  
(A) Line 3 x Line 5  
(B) Line 4a x Line 6a  
(C) Line 4b x Line 6b



**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Final True-Up Amount for the Period**  
**October 1996 - September 1997**

**Variance Report of Capital Investment Projects-Recoverable Costs**  
**(in Dollars)**

Line	(1)	(2)	(3) Variance	
	Actual	Estimated Actual	Amount	Percent
1 Description of Investment Projects				
2 Low NOx Burner Technology-Capital	\$ 2,674,113	\$ 2,666,812	\$ 7,301	0.3%
3b Continuous Emission Monitoring Systems-Capital	2,040,108	2,035,732	4,376	0.2%
4b Clean Closure Equivalency-Capital	8,135	8,111	24	0.3%
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	929,623	932,113	(2,490)	-0.3%
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	4,106	4,094	12	0.3%
8b Oil Spill Cleanup/Response Equipment-Capital	122,761	123,944	(1,183)	-1.0%
10 Relocate Storm Water Runoff-Capital	15,408	15,357	51	0.3%
NA SO2 Allowances-Negative Return on Investment	(108,453)	(105,297)	(3,156)	3.0%
12 Scherer Discharge Pipeline-Capital	114,962	114,618	344	0.3%
17b Disposal of Noncontainerized Liquid Waste-Capital	21,725	21,538	187	0.9%
2 Total Investment Projects-Recoverable Costs	\$ 5,822,488	\$ 5,817,022	\$ 5,466	0.1%
3 Recoverable Costs Allocated to Energy	\$ 4,699,363	\$ 4,691,077	\$ 8,286	0.2%
4 Recoverable Costs Allocated to Demand	\$ 1,123,125	\$ 1,125,945	\$ (2,820)	-0.3%

## Notes:

Column(1) is the End of Period Totals on Form 42-7A

Column(2) is the approved Estimated/Actual amount in accordance with  
 FPSC Order No. PSC-97-1047-FOF-EI

Column(3) = Column(1) - Column(2)

Column(4) = Column(3) / Column(2)

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Final True-Up Amount for the Period**  
**October 1996 - September 1997**

**Capital Investment Projects-Recoverable Costs**  
**(in Dollars)**

<u>Line</u>	<u>Actual</u> <u>OCT</u>	<u>Actual</u> <u>NOV</u>	<u>Actual</u> <u>DEC</u>	<u>Actual</u> <u>JAN</u>	<u>Actual</u> <u>FEB</u>	<u>Actual</u> <u>MAR</u>	<u>6-Month</u> <u>Sub-Total</u>
<b>1 Description of Investment Projects (A)</b>							
2 Low NOx Burner Technology-Capital	\$225,719	\$225,281	\$224,915	\$224,522	\$224,009	\$223,352	\$1,347,798
3b Continuous Emission Monitoring Systems-Capital	164,692	164,245	163,798	163,350	162,903	162,456	981,444
4b Clean Closure Equivalency-Capital	688	686	685	682	680	679	4,100
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	67,114	66,863	66,897	69,662	74,122	76,524	421,182
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	347	346	345	344	343	343	2,088
8b Oil Spill Cleanup/Response Equipment-Capital	10,004	9,939	9,874	9,809	9,744	10,413	59,783
10 Relocate Storm Water Runoff-Capital	1,298	1,295	1,293	1,290	1,288	1,285	7,749
NA SO2 Allowances-Negative Return on Investment	(8,565)	(8,565)	(8,565)	(8,565)	(8,565)	(8,565)	(51,390)
12 Scherer Discharge Pipeline-Capital	9,693	9,673	9,653	9,632	9,612	9,591	57,854
17 Disposal of NonContainerized Liquid Waste-Capital	0	0	0	0	0	0	0
<b>2 Total Investment Projects - Recoverable Costs</b>	<b>\$ 470,990</b>	<b>\$ 469,763</b>	<b>\$ 468,895</b>	<b>\$ 470,726</b>	<b>\$ 474,136</b>	<b>\$ 476,078</b>	<b>\$2,830,688</b>
<b>3 Recoverable Costs Allocated to Energy</b>	<b>\$ 388,705</b>	<b>\$ 387,793</b>	<b>\$ 386,976</b>	<b>\$ 386,339</b>	<b>\$ 385,715</b>	<b>\$ 384,845</b>	<b>\$ 2,320,373</b>
<b>4 Recoverable Costs Allocated to Demand</b>	<b>\$ 82,285</b>	<b>\$ 81,970</b>	<b>\$ 81,919</b>	<b>\$ 84,387</b>	<b>\$ 88,421</b>	<b>\$ 91,233</b>	<b>\$ 510,215</b>
<b>5 Retail Energy Jurisdictional Factor</b>	<b>98.22320%</b>	<b>98.22320%</b>	<b>98.22320%</b>	<b>98.22320%</b>	<b>98.22320%</b>	<b>98.22320%</b>	
<b>6 Retail Demand Jurisdictional Factor</b>	<b>97.33111%</b>	<b>97.33111%</b>	<b>97.33111%</b>	<b>97.33111%</b>	<b>97.33111%</b>	<b>97.33111%</b>	
<b>7 Jurisdictional Energy Recoverable Costs (B)</b>	<b>\$ 381,798</b>	<b>\$ 380,903</b>	<b>\$ 380,100</b>	<b>\$ 379,475</b>	<b>\$ 378,862</b>	<b>\$ 378,007</b>	<b>\$ 2,279,145</b>
<b>8 Jurisdictional Demand Recoverable Costs (C)</b>	<b>\$ 80,069</b>	<b>\$ 79,782</b>	<b>\$ 79,733</b>	<b>\$ 82,135</b>	<b>\$ 86,061</b>	<b>\$ 88,798</b>	<b>\$ 496,598</b>
<b>9 Total Jurisdictional Recoverable Costs for Investment Projects</b>	<b>\$ 461,887</b>	<b>\$ 460,685</b>	<b>\$ 459,833</b>	<b>\$ 461,610</b>	<b>\$ 464,923</b>	<b>\$ 466,805</b>	<b>\$ 2,775,743</b>

Notes:

(A) Each project's Total System Recoverable Expenses on Form 42-8A, Line 9

(B) Line 3 x Line 5

(C) Line 4 x Line 6

Totals may not add due to rounding.

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Final True-Up Amount for the Period**  
**October 1998 - September 1997**

**Capital Investment Projects-Recoverable Costs**  
**(in Dollars)**

Line	Actual APR	Actual MAY	Estimated JUN	Estimated JUL	Estimated AUG	Estimated SEP	6-Month Sub-Total	End of Period Total	Method of Classification	
									Demand	Energy
1 Description of Investment Projects (A)										
2 Low NOx Burner Technology-Capital	\$222,695	\$222,038	\$221,381	\$220,724	\$220,067	\$219,410	\$1,326,315	\$2,674,113	-	\$2,674,113
3b Continuous Emission Monitoring Systems-Capital	230,201	165,532	198,004	165,940	165,607	165,380	\$1,058,664	\$2,040,108	-	2,040,108
4b Clean Closure Equivalency-Capital	677	675	673	672	670	668	\$4,035	\$8,135	7,509	626
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	81,227	86,100	85,724	85,348	85,119	34,925	\$508,441	\$929,623	858,114	71,509
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	342	341	340	339	338	338	\$2,038	\$4,106	3,790	316
8b Oil Spill Cleanup/Response Equipment-Capital	10,761	10,585	10,515	10,443	10,372	10,302	\$62,978	\$122,761	113,318	9,443
10 Relocate Storm Water Runoff-Capital	1,263	1,280	1,278	1,275	1,273	1,270	\$7,659	\$15,408	14,223	1,185
NA SO2 Allowances-Negative Return on Investment	(\$8,565)	(\$8,565)	(\$8,565)	(\$9,617)	(\$10,807)	(\$10,944)	(\$57,063)	(\$108,453)	-	(\$108,453)
12 Scherer Discharge Pipeline-Capital	9,571	9,550	9,527	9,507	9,487	9,466	\$57,108	\$114,962	106,119	8,843
17 Disposal of Noncontaminated Liquid Waste-Capital	0	6,506	3,710	3,868	3,826	3,817	\$21,725	\$21,725	20,054	1,671
2 Total Investment Projects - Recoverable Costs	\$ 548,192	\$ 494,042	\$ 490,587	\$ 488,495	\$ 485,952	\$ 484,632	\$ 2,991,900	\$5,622,468	\$1,123,127	\$4,699,361
3 Recoverable Costs Allocated to Energy	\$ 452,320	\$ 387,853	\$ 387,417	\$ 385,619	\$ 383,413	\$ 382,368	\$ 2,378,980	\$ 4,699,363		
4 Recoverable Costs Allocated to Demand	\$ 95,872	\$ 106,189	\$ 103,170	\$ 102,876	\$ 102,539	\$ 102,264	\$ 612,910	\$ 1,123,125		
5 Retail Energy Jurisdictional Factor	98.22320%	98.22320%	98.22320%	98.22320%	98.22320%	98.22320%				
6 Retail Demand Jurisdictional Factor	97.33111%	97.33111%	97.33111%	97.33111%	97.33111%	97.33111%				
7 Jurisdictional Energy Recoverable Costs (B)	\$ 444,283	\$ 380,962	\$ 380,533	\$ 378,767	\$ 376,601	\$ 375,574	\$ 2,336,720	\$ 4,615,865		
8 Jurisdictional Demand Recoverable Costs (C)	\$ 93,313	\$ 103,355	\$ 100,417	\$ 100,130	\$ 99,802	\$ 99,535	\$ 596,552	\$ 1,083,150		
9 Total Jurisdictional Recoverable Costs for Investment Projects	\$ 537,596	\$ 484,317	\$ 480,950	\$ 478,897	\$ 476,403	\$ 475,109	\$ 2,933,272	\$ 5,709,015		

Notes:  
(A) Each project's Total System Recoverable Expenses on Form 42-8A, Line 9  
(B) Line 3 x Line 5  
(C) Line 4 x Line 6

Totals may not add due to rounding.

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period October 1996 through March 1997**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project - Low NOx Burner Technology (Project No. 2)**  
**(in Dollars)**

Line	Beginning of Period Amount	October	November	December	January	February	March	Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$6,793	\$25,600	\$15,691	\$18,371	\$15	\$22	\$86,481
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$17,544,977	17,551,770	17,577,370	17,593,061	17,611,432	17,611,446	17,611,468	n/a
3. Less: Accumulated Depreciation (B)	668,755	938,604	1,008,518	1,078,526	1,148,640	1,218,611	1,288,962	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$16,676,222	\$16,613,166	\$16,568,852	\$16,514,534	\$16,462,792	\$16,392,835	\$16,322,486	n/a
6. Average Net Investment		16,644,693	16,591,009	16,541,693	16,488,663	16,427,714	16,357,561	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		109,644	109,290	108,965	108,616	108,214	107,752	652,481
b. Debt Component (Line 6 x 3.3327% x 1/12)		48,226	48,077	45,940	47,793	45,624	45,429	275,090
8. Investment Expenses								
a. Depreciation (D)		69,849	69,014	70,309	70,114	70,171	70,171	420,227
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$225,719	\$225,281	\$224,915	\$224,522	\$224,009	\$223,352	\$1,347,796

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

(E) Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April through September 1997

Return on Capital Investments, Depreciation and Taxes  
For Project: Low NOx Burner Technology (Project No. 2)  
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$66,491
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	n/a
3. Less: Accumulated Depreciation (B)	1,288,902	1,359,153	1,429,324	1,499,495	1,569,666	1,639,837	1,710,009	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$16,322,486	\$16,252,315	\$16,182,144	\$16,111,973	\$16,041,802	\$15,971,630	\$15,901,459	n/a
6. Average Net Investment		16,287,399	16,217,229	16,147,058	16,076,887	16,006,716	15,936,545	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		107,290	106,828	106,366	105,903	105,441	104,979	1,289,288
b. Debt Component (Line 6 x 3.3327% x 1/12)		45,234	45,039	44,844	44,650	44,455	44,260	543,572
8. Investment Expenses								
a. Depreciation (D)		70,171	70,171	70,171	70,171	70,171	70,171	841,254
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$222,695	\$222,038	\$221,381	\$220,724	\$220,067	\$219,410	\$2,674,111

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate rate and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period October 1996 through March 1997**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Continuous Emissions Monitoring (Project No. 3b)**  
**(in Dollars)**

Line	Beginning of Period Amount	October	November	December	January	February	March	Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$13,519,504	13,519,504	13,519,504	13,519,504	13,519,504	13,519,504	13,519,504	n/a
3. Less: Accumulated Depreciation (B)	1,009,815	1,057,583	1,105,352	1,153,120	1,200,889	1,248,657	1,296,425	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	12,509,689	12,461,921	12,414,152	12,366,384	12,318,615	12,270,847	12,223,079	n/a
6. Average Net Investment		12,485,804	12,438,039	12,390,268	12,342,500	12,294,731	12,246,963	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		82,248	81,933	81,618	81,304	80,989	80,674	488,767
b. Debt Component (Line 6 x 3.3327% x 1/12)		34,676	34,544	34,411	34,278	34,146	34,013	206,067
8. Investment Expenses								
a. Depreciation (D)		47,768	47,768	47,768	47,768	47,768	47,768	286,610
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$164,692	\$164,245	\$163,798	\$163,350	\$162,903	\$162,456	\$981,448

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period April through September 1997**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Continuous Emissions Monitoring (Project No. 3b)**  
**(in Dollars)**

Line	Beginning of Period Amount	April	May	June	July	August	September	Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$93,155	\$188	\$30,633	\$28,709	\$152,745
c. Retirements				(\$68,877)	\$0	(\$33,438)	(\$33,438)	(\$133,754)
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$13,519,504	13,519,504	13,519,504	13,545,782	13,545,970	13,543,165	13,538,405	n/a
3. Less: Accumulated Depreciation (E)	1,296,425	1,412,707	1,465,109	1,451,164	1,504,090	1,523,596	1,541,863	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	12,223,079	12,106,797	12,054,395	12,094,618	12,041,880	12,019,569	11,996,542	n/a
6. Average Net Investment		12,164,937	12,080,596	12,074,507	12,068,250	12,030,725	12,008,101	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		80,134	79,579	79,538	79,497	79,250	79,101	965,866
b. Debt Component (Line 6 x 3.3327% x 1/12)		33,765	33,551	33,534	33,517	33,412	33,349	407,215
8. Investment Expenses								
a. Depreciation (D)		116,282	52,403	52,931	52,927	52,944	52,930	687,027
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$230,201	\$165,532	\$166,004	\$165,940	\$165,607	\$165,380	\$2,040,110

Notes:

(A) N/A

(B) Reserve were adjusted by (\$68,877) to reflect a retirement in June and (\$33,438) to reflect a retirements in August and September. September also reflects \$1,224 Cost of Removal.

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period October 1996 through March 1997**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Clean Closure Equivalency (Project No. 4b)**  
**(in Dollars)**

Line	Beginning of Period Amount	October	November	December	January	February	March	Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$58,866	58,866	58,866	58,866	58,866	58,866	58,866	n/a
3. Less: Accumulated Depreciation (B)	5,414	5,602	5,790	5,979	6,167	6,354	6,542	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$53,452	\$53,264	\$53,076	\$52,887	\$52,699	\$52,512	\$52,324	n/a
6. Average Net Investment		53,358	53,170	52,982	52,793	52,606	52,418	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		351	350	349	348	347	345	2,080
b. Debt Component (Line 6 x 3.3327% x 1/12)		148	148	147	147	146	146	881
8. Investment Expenses								
a. Depreciation (D)		188	188	189	188	188	188	1,128
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$688	\$686	\$685	\$682	\$680	\$679	\$4,100

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A



**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
 For the Period April through September 1997

Return on Capital Investments, Depreciation and Taxes  
 For Project: Clean Closure Equivalency (Project No. 4b)  
 (in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$58,868	58,868	58,868	58,868	58,868	58,868	58,868	n/a
3. Less: Accumulated Depreciation (B)	6,542	6,730	6,918	7,106	7,294	7,481	7,669	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$52,324	\$52,138	\$51,948	\$51,760	\$51,572	\$51,384	\$51,197	n/a
6. Average Net Investment		52,230	52,042	51,854	51,666	51,478	51,291	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		344	343	342	340	339	338	4,136
b. Debt Component (Line 6 x 3.3327% x 1/12)		145	145	144	143	143	142	1,744
8. Investment Expenses								
a. Depreciation (D)		188	188	188	188	188	188	2,255
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$677	\$675	\$673	\$672	\$670	\$668	\$8,135

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period October 1996 through March 1997**

Return on Capital Investments, Depreciation and Taxes  
**For Project: Maintenance of Above Ground Storage Tanks (Project No. 5b)**  
 (in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$357	(\$16,323)	\$42,837	\$428,538	\$335,146	\$113,995	\$904,550
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$5,360,702	5,361,059	5,344,736	5,387,573	5,816,111	6,151,257	6,265,252	n/a
3. Less: Accumulated Depreciation (B)	(59,257)	(42,823)	(26,412)	(9,937)	7,253	25,494	44,208	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$5,419,959	\$5,403,882	\$5,371,146	\$5,397,510	\$5,808,858	\$6,125,764	\$6,221,048	n/a
6. Average Net Investment		5,411,921	5,357,515	5,384,329	5,603,184	5,967,311	6,173,405	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		35,650	35,489	35,468	36,910	39,308	40,668	223,492
b. Debt Component (Line 6 x 3.3327% x 1/12)		15,030	14,962	14,954	15,561	16,573	17,145	94,226
8. Investment Expenses								
a. Depreciation (D)		16,434	16,411	16,475	17,190	18,240	18,713	103,463
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$67,114	\$66,863	\$66,897	\$69,662	\$74,122	\$76,524	\$421,183

## Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April through September 1997

Return on Capital Investments, Depreciation and Taxes  
For Project: Maintenance of Above Ground Storage Tanks (Project No. 5b)  
(In Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$773,080	(\$4,962)	(\$26,228)	\$663	\$0	\$0	\$1,647,083
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$6,265,252	7,038,312	7,033,350	7,007,122	7,007,785	7,007,785	7,007,785	n/a
3. Less: Accumulated Depreciation (B)	44,208	63,648	84,534	102,800	123,585	144,334	165,083	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$6,221,046	\$6,974,664	\$6,948,796	\$6,904,322	\$6,884,200	\$6,863,451	\$6,842,702	n/a
6. Average Net Investment		6,597,855	6,961,730	6,926,559	6,894,261	6,873,826	6,853,076	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		43,462	45,859	45,627	45,415	45,280	45,143	494,278
b. Debt Component (Line 6 x 3.3327% x 1/12)		18,324	19,334	19,237	19,147	19,090	19,033	208,301
8. Investment Expenses								
a. Depreciation (D)		19,441	20,908	20,860	20,785	20,749	20,749	226,953
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$81,227	\$86,100	\$85,724	\$85,346	\$85,119	\$84,925	\$629,624

Notes:

- (A) N/A
- (B) Reserve was adjusted by (\$2,614) for Cost of Removal in June.
- (C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.6555% reflects a 12% return on equity.
- (D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.
- (E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
For the Period October 1996 through March 1997

Return on Capital Investments, Depreciation and Taxes  
For Project: Relocate Turbine Oil Underground Piping (Project No. 7)  
(in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$31,030	31,030	31,030	31,030	31,030	31,030	31,030	n/a
3. Less: Accumulated Depreciation (B)	3,358	3,448	3,533	3,621	3,709	3,797	3,885	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$27,672	\$27,584	\$27,497	\$27,409	\$27,321	\$27,233	\$27,145	n/a
6. Average Net Investment		27,628	27,541	27,453	27,365	27,277	27,189	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		182	181	181	180	180	179	1,083
b. Debt Component (Line 6 x 3.3327% x 1/12)		77	76	76	76	75	76	457
8. Investment Expenses								
a. Depreciation (D)		88	88	88	88	88	88	528
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$347	\$346	\$345	\$344	\$343	\$343	\$2,068

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April through September 1997

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Relocate Turbine Oil Underground Piping (Project No. 7)**  
(In Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$31,030	31,030	31,030	31,030	31,030	31,030	31,030	n/a
3. Less: Accumulated Depreciation (B)	3,685	3,973	4,061	4,149	4,237	4,325	4,413	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$27,145	\$27,057	\$26,969	\$26,881	\$26,793	\$26,705	\$26,617	n/a
6. Average Net Investment		27,101	27,013	26,925	26,837	26,749	26,661	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		179	178	177	177	176	176	2,145
b. Debt Component (Line 6 x 3.3327% x 1/12)		75	75	75	75	74	74	905
8. Investment Expenses								
a. Depreciation (D)		88	88	88	88	88	88	1,056
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$342	\$341	\$340	\$339	\$338	\$338	\$4,106

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1996 through March 1997

Return on Capital Investments, Depreciation and Taxes  
For Project: Oil Spill Cleanup/Response Equipment (Project No. 8b)  
(in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$44,379	\$44,379
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$575,727	575,727	575,727	575,727	575,727	575,727	620,108	n/a
3. Less: Accumulated Depreciation (B)	243,673	250,599	257,526	264,452	271,379	278,306	285,760	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$332,054	\$325,128	\$318,201	\$311,275	\$304,348	\$297,421	\$334,348	n/a
6. Average Net Investment		328,590	321,665	314,738	307,811	300,885	315,885	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		2,165	2,119	2,073	2,028	1,982	2,081	12,447
b. Debt Component (Line 6 x 3.3327% x 1/12)		913	893	874	855	836	877	5,248
8. Investment Expenses								
a. Depreciation (D)		6,927	6,927	6,927	6,927	6,927	7,455	42,088
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$10,004	\$9,939	\$9,874	\$9,809	\$9,744	\$10,413	\$59,782

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period April through September 1997**

Return on Capital Investments, Depreciation and Taxes  
**For Project: Oil Spill Cleanup/Response Equipment (Project No. 6b)**  
(In Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$2	\$0	\$0	\$0	\$0	\$0	\$44,381
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$620,108	620,110	620,110	620,110	620,110	620,110	620,110	n/a
3. Less: Accumulated Depreciation (B)	285,760	293,427	300,988	308,549	316,110	323,671	331,233	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$334,348	\$326,683	\$319,122	\$311,561	\$304,000	\$296,439	\$288,878	n/a
6. Average Net Investment		330,515	322,903	315,342	307,780	300,220	292,658	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		2,177	2,127	2,077	2,027	1,978	1,928	24,781
b. Debt Component (Line 6 x 3.3327% x 1/12)		918	897	876	855	834	813	10,440
8. Investment Expenses								
a. Depreciation (D)		7,666	7,561	7,562	7,561	7,561	7,562	87,580
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$10,761	\$10,585	\$10,515	\$10,443	\$10,372	\$10,302	\$122,780

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period October 1996 through March 1997**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Relocate Storm Water Runoff (Project No. 10)**  
**(in Dollars)**

Line	Beginning of Period Amount	October	November	December	January	February	March	Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$117,794	117,794	117,794	117,794	117,794	117,794	117,794	n/a
3. Less: Accumulated Depreciation (B)	7,913	8,183	8,453	8,723	8,993	9,264	9,534	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$109,881	\$109,611	\$109,341	\$109,071	\$108,801	\$108,530	\$108,260	n/a
6. Average Net Investment		109,748	109,476	109,206	108,936	108,666	108,395	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		723	721	719	718	716	714	4,311
b. Debt Component (Line 6 x 3.3327% x 1/12)		305	304	303	303	302	301	1,817
8. Investment Expenses								
a. Depreciation (D)		270	270	270	270	270	270	1,621
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$1,290	\$1,295	\$1,293	\$1,290	\$1,288	\$1,285	\$7,751

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A



**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period April through September 1997**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Relocate Storm Water Runoff (Project No. 10)**  
**(In Dollars)**

Line	Beginning of Period Amount	April	May	June	July	August	September	Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$117,794	117,794	117,794	117,794	117,794	117,794	117,794	n/a
3. Less: Accumulated Depreciation (B)	9,534	9,804	10,074	10,344	10,614	10,885	11,155	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$108,260	\$107,990	\$107,720	\$107,450	\$107,179	\$106,909	\$106,639	n/a
6. Average Net Investment		106,125	107,855	107,585	107,314	107,044	106,774	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		712	710	709	707	705	703	8,558
b. Debt Component (Line 6 x 3.3327% x 1/12)		300	300	299	298	297	297	3,607
8. Investment Expenses								
a. Depreciation (D)		270	270	270	270	270	270	3,242
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$1,283	\$1,280	\$1,278	\$1,275	\$1,273	\$1,270	\$15,410

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period October 1996 through March 1997**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Seberer Discharge Pipeline (Project No. 12)**  
**(in Dollars)**

Line	Beginning of Period Amount	October	November	December	January	February	March	Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$864,260	864,260	864,260	864,260	864,260	864,260	864,260	n/a
3. Less: Accumulated Depreciation (B)	61,619	63,806	65,994	68,181	70,369	72,556	74,744	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$802,640	\$800,453	\$798,266	\$796,079	\$793,891	\$791,704	\$789,516	n/a
6. Average Net Investment		801,547	799,360	797,173	794,985	792,797	790,610	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		5,260	5,266	5,251	5,237	5,222	5,208	31,464
b. Debt Component (Line 6 x 3.3327% x 1/12)		2,226	2,220	2,214	2,206	2,202	2,195	13,265
8. Investment Expenses								
a. Depreciation (D)		2,187	2,188	2,188	2,188	2,188	2,188	13,125
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$9,693	\$9,673	\$9,653	\$9,632	\$9,612	\$9,591	\$57,851

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

Florida Power & Light Company  
Environmental Cost Recovery Clause  
For the Period April through September 1997

Return on Capital Investment, Depreciation and Taxes  
For Project: Sevier Dispatch Pipeline (Project No. 12)  
(in Dollars)

Line	Description	Beginning of Period Amount							Twelve Month Period Amount
		April	May	June	July	August	September		
1.	Investments								
a.	Expenditures/Additions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b.	Clearings to Plant								
c.	Retirements								
d.	Other (A)								
2.	Plant-in-Service/Depreciation Base	\$884,260	884,260	884,260	884,260	884,260	884,260	884,260	n/a
3.	Lease Accumulated Depreciation (B)	74,744	76,932	79,119	81,304	83,490	85,675	87,861	n/a
4.	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5.	Net Investment (Lines 2 - 3 + 4)	\$789,516	\$787,328	\$785,141	\$782,956	\$780,771	\$778,585	\$776,400	n/a
6.	Average Net Investment	788,422	786,234	784,046	781,864	779,678	777,482		
7.	Return on Average Net Investment								
a.	Equity Component grossed up for taxes (C)	5,194	5,178	5,165	5,150	5,136	5,122	5,122	62,409
b.	Debt Component (Line 6 x 3.3327% x 1/12)	2,180	2,184	2,177	2,171	2,165	2,165	2,159	26,312
8.	Investment Expenses								
a.	Depreciation (D)	2,168	2,168	2,165	2,166	2,166	2,166	2,166	26,242
b.	Amortization								
c.	Disarmament								
d.	Property Expenses								
e.	Other (E)								
9.	Total System Recoverable Expenses (Lines 7 & 8)	\$9,571	\$9,650	\$9,527	\$9,507	\$9,487	\$9,466	\$9,466	\$114,959

Notes:  
 (A) N/A  
 (B) N/A  
 (C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.0559% reflects a 12% return on equity.  
 (D) Depreciation expense is calculated using the appropriate rate and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.  
 (E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April through September 1997

Return on Capital Investments, Depreciation and Taxes  
For Project: Noncontainerized Liquid Wastes (Project No. 17)  
(in Dollars)

Line	Beginning of Period Amount	April	May	June	July	August	September	Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$284,587	\$31,422	(\$5,000)	\$0	\$0	\$311,009
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$0	0	284,587	316,009	311,009	311,009	311,009	n/a
3. Less: Accumulated Depreciation (B)	0	0	5,197	6,148	7,141	8,128	9,111	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$0	\$0	\$279,389	\$309,860	\$303,867	\$302,881	\$301,898	n/a
6. Average Net Investment		0	139,695	294,625	306,864	303,375	302,390	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		0	920	1,941	2,021	1,998	1,992	8,873
b. Debt Component (Line 6 x 3.3327% x 1/12)		0	368	818	852	843	840	3,741
8. Investment Expenses								
a. Depreciation (D)		0	5,197	951	993	985	985	9,111
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$0	\$6,506	\$3,710	\$3,866	\$3,826	\$3,817	\$21,725

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate rate and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts recorded and shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Schedule of Negative Return on**  
**Deferred Gain on Sales of Emission Allowances**  
**For the Period October 1996 through March 1997**

Line No.	Description	Beginning of Period	Actual October	Actual November	Actual December	Actual January	Actual February	Actual March	Six Month Subtotal	Line No.
1	Additions									
2	Net Investment	(\$914,665)	(\$914,665)	(\$914,665)	(\$914,665)	(\$914,665)	(\$914,665)	(\$914,665)		1
3	Average Net Investment		(\$914,665)	(\$914,665)	(\$914,665)	(\$914,665)	(\$914,665)	(\$914,665)	n/a	2
4	Return on Average Net Investment (a)									3
	a. Equity Component grossed up for taxes (A)		(6,025)	(6,025)	(6,025)	(6,025)	(6,025)	(6,025)	(36,151)	4
	b. Debt Component (Line 3 x 3.3327% /12)		(2,540)	(2,540)	(2,540)	(2,540)	(2,540)	(2,540)	(15,242)	
5	<b>Total Return Requirements (Line 4b + 4c)</b>		<b>(8,565)</b>	<b>(8,565)</b>	<b>(8,565)</b>	<b>(8,565)</b>	<b>(8,565)</b>	<b>(8,565)</b>	<b>(51,391)</b>	5

Notes:

(A) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.8555% reflects a 12% return on equity.

In accordance with FPSC Order No. PSC-84-0393-FOF-EI, FPL has recorded the sales of emissions allowances as a regulatory liability. This schedule reflects the return on that regulatory liability.

**Florida Power & Light Company**  
**Schedule of Negative Return on**  
**Deferred Gain on Sales of Emission Allowances**  
**For the Period April through September 1997**

Line No.	Description	Beginning of Period	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	12 Month Total	Line No.
1	Additions					(\$224,641)	(\$29,364)		(\$254,006)	
2	Net Investment	(\$914,665)	(\$914,665)	(\$914,665)	(\$914,665)	(\$1,139,308)	(\$1,168,670)	(\$1,168,670)		1
3	Average Net Investment		(\$914,665)	(\$914,665)	(\$914,665)	(\$1,026,985)	(\$1,153,988)	(\$1,168,670)	n/a	2
4	Return on Average Net Investment (a)									3
	a. Equity Component grossed up for taxes (A)		(6,025)	(6,025)	(6,025)	(6,765)	(7,602)	(7,698)	(78,292)	4
	b. Debt Component (Line 3 x 3.3327% /12)		(2,540)	(2,540)	(2,540)	(2,852)	(3,205)	(3,248)	(32,166)	
5	<b>Total Return Requirements (Line 4b + 4c)</b>		<b>(8,565)</b>	<b>(8,565)</b>	<b>(8,565)</b>	<b>(9,617)</b>	<b>(10,807)</b>	<b>(10,946)</b>	<b>(108,457)</b>	5

Notes:

(A) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.8555% reflects a 12% return on equity.

In accordance with FPSC Order No. PSC-94-0393-FOF-EI, FPL has recorded the sales of emissions allowances as a regulatory liability. This schedule reflects the return on that regulatory liability.