



ORIGINAL

**Florida
Power**
CORPORATION

JAMES A. MCGEE
SENIOR COUNSEL

January 13, 1999

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED
MAIL ROOM
JAN 11 11 54 AM '99

In Re: Joint Petition for Determination of Need for an Electrical
Power Plant in Volusia County by the Utilities Commission,
City of New Smyrna Beach, Florida, and Duke Energy New
Smyrna Beach Power Company Ltd., L.L.P.,
Docket No. 991042-EI

Dear Ms. Bayó:

Enclosed for filing in the subject docket is an original and fifteen (15) copies
of Florida Power Corporation's Late-Filed Exhibit 35.

Please acknowledge your receipt of the above filing on the enclosed copy of
this letter and return to the undersigned. Thank you for your assistance in this
matter.

Exh. fld in TR Exhs.

Very truly yours,

James A. McGee

- ACK _____
- AFA 1
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG Futrell
- LEG 2
- LIN 5 + ag
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

cc: Parties of Record

RECEIVED & FILED
BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

~~00515~~ JAN 14 99

CERTIFICATE OF SERVICE
DOCKET NO. 981042-EM

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by U.S. Mail, this 3rd day of January, 1999 to the following individuals:

Robert Schefel Wright, Esq.
John T. LaVia, III, Esq.
Landers & Parsons
P. O. Box 271
Tallahassee, FL 32302

Leslie J. Paugh, Esq.
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Grace Jaye, Esq.
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Charles A. Guyton, Esq.
Steel Hector & Davis
215 South Monroe Street
Suite 601
Tallahassee, FL 32301

William G. Walker, III
Vice President, Regulatory Affairs
Florida Power & Light
9250 West Flagler Street
Miami, FL 33174

William B. Willingham, Esq.
Michelle Hershel, Esq.
FL Electric Cooperatives Assoc., In .
P. O. Box 590
Tallahassee, FL 32302

Susan D. Ritenour
Asst. Secretary & Asst. Treasurer
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

Jeffrey A. Stone, Esq.
Beggs & Lane
P. O. Box 12950
Pensacola, FL 32575-2950

Jon Moyle, Jr.
Moyle Flanigan Katz
210 South Monroe Street
Tallahassee, FL 32301

Gail Kamaras, Esq.
LEAF
1114 Thomasville Road
Suite E
Tallahassee, FL 32303-6290

Lee L. Willis, Esq.
Ausley & McMullen
P. O. Box 391
Tallahassee, FL 32302

Terry L. Kammer, COPE Dir.
System Council U-4, IBEW
3944 Florida Boulevard, Suite 202
Palm Beach Gardens, FL 33410

John Schantzen
System Council U-4 IBEW
3944 Florida Boulevard, Suite 202
Palm Beach Gardens, FL 33410

J. Roger Howe, Esq.
Office of Public Counsel
111 West Madison Avenue, Room 812
Tallahassee, FL 32399-1400



JAMES A. MCGEE

Late-Filed Exhibit 35

Summary of Broker and Off-Broker Savings

Florida Power Corporation

| | <u>Purchases</u> | | | <u>Sales</u> | | | <u>Total Benefits</u> | | |
|------|-----------------------|---------------------------|----------------------|-----------------------------------|---------------------------|----------------------|-----------------------|---------------------------|----------------------|
| | <u>Broker Savings</u> | <u>Off-Broker Savings</u> | <u>Total Savings</u> | <u>Broker Savings¹</u> | <u>Off-Broker Savings</u> | <u>Total Savings</u> | <u>Broker Savings</u> | <u>Off-Broker Savings</u> | <u>Total Savings</u> |
| 1994 | 5,923,583 | 763,110 | 6,686,693 | 1,474,304 | 387,862 | 1,862,166 | 7,397,867 | 1,150,972 | 8,548,859 |
| 1995 | 3,627,660 | 294,967 | 3,922,627 | 2,282,194 | 610,655 | 2,892,849 | 5,909,854 | 905,622 | 6,815,476 |
| 1996 | 7,057,500 | 5,695,498 | 12,752,998 | 750,716 | 856,298 | 1,607,014 | 7,808,216 | 6,551,796 | 14,360,012 |
| 1997 | 3,635,245 | 5,580,720 | 9,215,965 | 444,900 | 3,526,948 | 3,971,848 | 4,080,145 | 9,107,668 | 13,187,813 |
| 1998 | 2,003,046 | 3,713,752 | 5,716,798 | 432,977 | 12,198,867 | 12,631,844 | 2,436,023 | 15,912,619 | 18,348,642 |

Broker sales benefit adjustment: 80%

5 Year Total Savings: **\$ 61,260,802**

- Notes:**
1. The broker savings for sales have been adjusted to reflect that, per Florida PSC Rules, 80% of the savings are passed back to customers throughout the fuel adjustment clause.
 2. The growth in off-broker savings is significant. 100% of these savings are passed back to customers through the fuel adjustment clause.
 3. Our cursory evaluation of the broker and off-broker savings for the peninsular Florida IOU's reflects benefits of well over \$200 Million over the past 5 years. The growth trend in these benefits could result in substantial benefits to Florida ratepayers in future years.

| <u>Total Sales Revenues (\$ 000's)</u> | <u>Savings as a % of Total Revenues</u> |
|--|---|
| 2,036,721 | 0.42% |
| 2,223,400 | 0.31% |
| 2,328,980 | 0.62% |
| 2,445,126 | 0.54% |
| 2,596,022 | 0.71% |

TEL: (772) 800-4901
 P. 004