

BEFORE THE FLORIDA  
PUBLIC SERVICE COMMISSION

**ORIGINAL**

DOCKET NO. 000001-EI  
FLORIDA POWER & LIGHT COMPANY

AUGUST 23, 2000

IN RE: LEVELIZED FUEL COST RECOVERY  
AND CAPACITY COST RECOVERY

ESTIMATED/ACTUAL TRUE-UP  
JANUARY 2000 THROUGH DECEMBER 2000

TESTIMONY & EXHIBITS OF:

K. M. DUBIN

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
**FLORIDA POWER & LIGHT COMPANY**  
**TESTIMONY OF KOREL M. DUBIN**  
**DOCKET NO. 000001-EI**  
**August 23, 2000**

**Q. Please state your name and address.**

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

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

A. I am employed by Florida Power & Light Company (FPL) as Manager,  
Regulatory Issues in the Regulatory Affairs Department.

**Q. Have you previously testified in this docket?**

A. Yes, I have.

**Q. What is the purpose of your testimony?**

A. The purpose of my testimony is to present for Commission review and  
approval the calculation of the Estimated/Actual True-up amounts for  
the Fuel Cost Recovery Clause (FCR) and the Capacity Cost  
Recovery Clause (CCR) for the period January 2000 through  
December 2000.

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

3 A. Yes, I have. It consists of various schedules included in Appendices  
4 I and II. Appendix I contains the FCR related schedules and Appendix  
5 II contains the CCR related schedules.

6

7 FCR Schedules A-1 through A-9 for January 2000 through July 2000  
8 have been filed monthly with the Commission, are served on all  
9 parties and are incorporated herein by reference.

10

11 **Q. What is the source of the data that you will present by way of**  
12 **testimony or exhibits in this proceeding?**

13 A. Unless otherwise indicated, the actual data is taken from the books  
14 and records of FPL. The books and records are kept in the regular  
15 course of our business in accordance with generally accepted  
16 accounting principles and practices and provisions of the Uniform  
17 System of Accounts as prescribed by this Commission.

18

19 **FUEL COST RECOVERY CLAUSE**

20

21 **Q. Please explain the calculation of the FCR Estimated/Actual True-**  
22 **up amount you are requesting this Commission to approve.**

23 A. Appendix I, pages 2 and 3, show the calculation of the FCR  
24 Estimated/Actual True-up amount. The calculation of the

1 estimated/actual true-up amount for the period January 2000 through  
2 December 2000 is an underrecovery, including interest, of  
3 \$518,005,376 (Appendix I, page 3, Column13, lines C7 plus C8).

4

5 Appendix I, pages 2 and 3 also provide a summary of the Fuel and  
6 Net Power Transactions (lines A1 through A7), kWh Sales (lines B1  
7 through B3), Jurisdictional Fuel Revenues (line C1 through C3), the  
8 True-up and Interest Provision for this period (lines C4 through C10),  
9 and the End of Period True-up amount (line C11).

10

11 The data for January 2000 through July 2000, columns (1) through  
12 (7) reflects the actual results of operations and the data for August  
13 2000 through December 2000, columns (8) through (12), are based  
14 on updated estimates.

15

16 The true-up calculations follow the procedures established by this  
17 Commission as set forth on Commission Schedule A2 "Calculation  
18 of True-Up and Interest Provision" filed monthly with the Commission.

19

20 **Q. In Order No. 13694, Docket No. 840001-EI, dated 9/20/84, the**  
21 **Commission established a procedure by which utilities would**  
22 **notify the Commission when their collection of projected fuel**  
23 **costs were going to be either over or under by 10%. Does this**  
24 **\$518 million estimated/actual true up amount exceed the**

1           **Commission's 10 % guideline?**

2  
3       A.     Yes. Pursuant to Order No. 13694, we are providing notification of  
4           these circumstances. FPL is currently evaluating various alternatives  
5           to lessen the impact of this underrecovery on customer bills and will  
6           include a proposed recovery plan for Commission review and  
7           approval with the September 21, 2000 filing for the period January  
8           through December 2001.

9  
10       **Q.     Please summarize FPL's midcourse correction that became**  
11           **effective on June 15, 2000.**

12       A.     On May 1, 2000, FPL filed a midcourse correction for \$234.7 million.  
13           Of this amount \$96.4 million was for the *Final True up* for the period  
14           ending December 1999. Additionally the midcourse correction  
15           included 60% of the \$230.7 million projected underrecovery for 2000  
16           or \$138.3 million. The midcourse correction was approved on June  
17           5, 2000 per Order No. PSC-00-1081-PCO-EI.

18  
19       **Q.     What is the status of the \$96.4 million Final True-up amount for**  
20           **the period ending December 1999 and the \$138 million "in-**  
21           **period" True-up amount for 2000?**

22       A.     The Final True-up underrecovery of \$96,356,314 deferred from the  
23           period January 1999 through December 1999 and, presented in my  
24           *Final True-up testimony* filed on April 1, 2000, has already been  
25           included in customer charges from June 15, 2000 through December

1 2000 as a result of the midcourse correction filed on May 1, 2000.

2 See (Appendix I, page 3, Column 13, line C10b)

3

4 The "in-period" True-up amount of \$138 million has also been  
5 included in customer charges from June 15, 2000 through December  
6 2000 and is reflected in the Jurisdictional Fuel Revenues on  
7 Appendix I, page 3, Line C3.

8

9 **Q. Please summarize the variance schedule provided as page 4 of**  
10 **Appendix I.**

11 A. The variance calculation of the Estimated/Actual data compared to  
12 the original projections for the January 2000 through December 2000  
13 period is provided in Appendix I, Page 4.

14

15 FPL's FCR filing dated December 15, 1999 projected Total Fuel and  
16 Net Power Transactions to be \$1.606 billion for January through  
17 December 2000 (See Appendix I, page 4, Column 2, Line D6). The  
18 estimated/actual projected Jurisdictional Total Fuel Cost and Net  
19 power Transactions is now projected to be \$2.268 billion for the  
20 period January through December 2000 (Actual data for January  
21 through July 2000 and Revised Estimates for August through  
22 December 2000) (See Appendix I, page 4, Column 1, Line D6) which  
23 results in a difference of \$662.7 million.

24

1 This \$662.7 million difference less the variance in Jurisdictional Fuel  
2 Revenues for 2000 of \$161.7 million, results in a difference of \$501  
3 million. This \$501 million plus interest of \$17 million results in the  
4 \$518 million underrecovery.

5

6

7 **Q. Please explain the variances causing the \$518 million**  
8 **underrecovery.**

9 A. As shown on Appendix I, page 4, line A5, the variance in Total Fuel  
10 Costs and Net Power Transactions is \$664.9 million or a 40.8%  
11 increase from the original projections. This variance is mainly due to  
12 a \$676.2 million or 50.7% increase in the Fuel Cost of System Net  
13 Generation due primarily to the higher than projected costs of heavy  
14 oil and natural gas. The variance also includes a \$13 million increase  
15 in Energy Payments to Qualifying Facilities, \$27.1 million increase in  
16 the Energy Cost of Economy Purchases. These amounts are slightly  
17 offset by a \$26.1 million decrease in Purchased Power due to less  
18 purchases from Southern, a \$24.5 million variance in Power Sold and  
19 a \$1.7 million variance in Revenues from Off System Sales.

20

21 The \$676.2 million increase in the cost of System Generation is due  
22 primarily to higher than originally projected oil and gas costs. Heavy  
23 oil costs are projected to be \$311.3 million higher than the projected  
24 oil cost included in the original filing. The projected unit cost of heavy

1 oil included in the original filing was \$2.48 per MMBTU. The  
2 estimated/actual unit cost of heavy oil is \$3.98 per MMBTU, an  
3 increase of \$1.50 or 60%. Natural gas costs are projected to be  
4 \$325.9 million higher than the projected natural gas cost included in  
5 the original filing. The projected unit cost of natural gas included in  
6 the original filing was \$3.31 per MMBTU. The estimated/actual unit  
7 cost of natural gas is \$4.19 per MMBTU, an increase of \$.88 or 27%.  
8 Additionally, FPL plans to burn 43,168,139 MMBTU or 26% more  
9 natural gas than was included in the original filing.

10

11 **Q. Were these calculations made in accordance with the**  
12 **procedures previously approved in this Docket?**

13 A. Yes, they were.

14

15 **CAPACITY PAYMENT RECOVERY CLAUSE**

16

17 **Q. Please explain the calculation of the CCR Estimated/Actual True-**  
18 **up amount you are requesting this Commission to approve.**

19 A. The Estimated/Actual True-up for the period January 2000 through  
20 December 2000 is an overrecovery, including interest, of  
21 \$42,411,275 (Appendix II, page 3, lines 17 plus 18). Appendix II,  
22 pages 2-3 shows the calculation supporting the CCR  
23 Estimated/Actual True-up amount.

24



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

3 A. Yes it is. The calculation of the true-up amount follows the procedures  
4 established by this Commission as set forth on Commission  
5 Schedule A2 "Calculation of True-Up and Interest Provision" for the  
6 Fuel Cost Recovery clause.

7

8 **Q. Please explain the calculation of the Interest Provision.**

9 A. The calculation of the interest provision and follows the same  
10 methodology used in calculating the interest provision for the other  
11 cost recovery clauses, as previously approved by this Commission.

12

13 The interest provision is the result of multiplying the monthly average  
14 true-up amount (line 4) times the monthly average interest rate (line  
15 9). The average interest rate for the months reflecting actual data is  
16 developed using the 30 day commercial paper rate as published in  
17 the Wall Street Journal on the first business day of the current and  
18 subsequent months. The average interest rate for the projected  
19 months is the actual rate as of the first business day in August 2000.

20 **Q. Have you provided a schedule showing the variances between**  
21 **the Estimated/Actuals and the Original Projections?**

22 A. Yes. Appendix II, page 4, shows the Estimated/Actual capacity  
23 charges and applicable revenues compared to the original  
24 projections for the January 2000 through December 2000 period.

1

2 **Q. What is the variance related to capacity charges?**

3 A. As shown in Appendix II, page 4, line 7, the variance related to  
4 capacity charges is an \$8 million decrease. The primary reasons for  
5 the variance is a \$3 million decrease in payments to non-  
6 cogenerators due to a decrease in capacity rates for UPS purchases,  
7 plus a \$7 million decrease in payments to cogenerators due to lower  
8 than projected capacity factors for Cedar Bay, Florida Crushed Stone  
9 and Royster. These amounts were somewhat offset by a \$2 million  
10 variance in transmission revenues.

11

12 **Q. What is the variance in Capacity Cost Recovery revenues?**

13 A. As shown on line 12, Capacity Cost Recovery revenues, net of  
14 revenue taxes, are \$30 million higher than originally projected.

15

16 **Q. Does this conclude your testimony.**

17 A. Yes, it does.

**APPENDIX I  
FUEL COST RECOVERY  
2000 ESTIMATED/ACTUAL TRUE UP**

<u>Page(s)</u>	<u>Description</u>	<u>Sponsor</u>
2-3	Calculation of Estimated/Actual True-up Amount	Dubin
4	Variance Original Estimate Compared to Estimated/Actual	Dubin

COMPANY: FLORIDA POWER & LIGHT COMPANY							
FOR THE PERIOD JANUARY THROUGH DECEMBER 2000							
ACTUALS THROUGH JULY 2000 - REVISED ESTIMATES FOR AUGUST THROUGH DECEMBER 2000							
LINE NO.		(1) ACTUAL JANUARY	(2) ACTUAL FEBRUARY	(3) ACTUAL MARCH	(4) ACTUAL APRIL	(5) ACTUAL MAY	(6) ACTUAL JUNE
<b>A Fuel Costs &amp; Net Power Transactions</b>							
1	a Fuel Cost of System Net Generation	\$ 96,801,931	\$ 89,681,397	\$ 115,028,695	\$ 125,719,236	\$ 176,849,754	\$ 225,361,627
	b Nuclear Fuel Disposal Costs	2,036,555	1,944,914	1,602,326	1,866,226	1,661,490	2,034,696
	c Coal Cans Depreciation & Return	365,614	363,669	361,724	359,780	348,349	334,538
	d Gas Pipelines Depreciation & Return	232,060	230,605	229,149	227,694	226,238	224,783
	e DOE D&D Fund Payment	0	0	0	0	0	0
2	a Fuel Cost of Power Sold	(6,982,435)	(5,004,820)	(2,742,110)	(3,361,014)	(6,434,607)	(7,951,877)
	b Revenues from Off-System Sales	(2,032,199)	(1,088,469)	(98,998)	(437,291)	(3,754,203)	(2,079,107)
3	a Fuel Cost of Purchased Power	9,940,690	10,374,712	11,077,393	14,831,564	14,023,674	12,679,928
	b Energy Payments to Qualifying Facilities	9,460,941	10,963,890	11,294,122	11,672,716	9,682,160	7,388,362
4	Energy Cost of Economy Purchases	2,108,781	4,097,320	5,607,152	5,167,404	4,631,898	6,452,372
5	Total Fuel Costs & Net Power Transactions	\$ 111,931,938	\$ 111,563,218	\$ 142,359,453	\$ 156,046,315	\$ 197,234,753	\$ 244,445,322
Adjustments to Fuel Cost:							
	a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	(1,506,387)	(1,541,736)	(1,556,068)	(2,075,885)	(2,183,063)	(2,605,378)
	b Reactive and Voltage Control Fuel Revenue	(78,230)	(150,593)	(137,195)	(34,543)	(106,948)	(77,375)
	c Inventory Adjustments	(119,002)	(110,259)	(283,106)	(89,610)	(397,453)	303,295
	d Non Recoverable Oil Tank Bottoms	79,085	44,306	13,455	231,797	93,408	0
	e Modifications to Burn Low Gravity Oil	1,154	21	21,046	0	0	0
	f Other	0	0	0	0	0	0
7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 110,308,558	\$ 109,804,957	\$ 140,417,585	\$ 154,078,074	\$ 194,640,697	\$ 242,065,864
<b>B kWh Sales</b>							
1	Jurisdictional kWh Sales (RTP @ CBL)	6,532,531,363	6,336,618,395	6,196,013,924	6,345,577,574	6,738,781,471	8,226,383,453
2	Sale for Resale (excluding FKEC & CKW)	528,971	729,525	422,718	676,003	584,008	654,258
	Sub-Total Sales (excluding FKEC & CKW)	6,533,060,334	6,337,347,920	6,196,436,642	6,346,253,577	6,739,365,479	8,227,037,711
Jurisdictional % of Total kWh Sales (Lines B1/B3)							
		99.99190 %	99.98849 %	99.99318 %	99.98935 %	99.99133 %	99.99205 %
<b>C True-up Calculation</b>							
1	Jurisdictional Fuel Revenues (Incl RTP @ CBL) Net of Revenue Taxes	\$ 120,687,586	\$ 116,379,027	\$ 113,813,705	\$ 116,555,386	\$ 123,906,914	\$ 164,957,826
2	Fuel Adjustment Revenues Not Applicable to Period:						
	a 1 Prior Period True-up Provision	3,531,465	3,531,465	3,531,465	3,531,465	3,531,465	3,531,465
	a 2 Prior Period True-up Provision	0	0	0	0	0	(7,412,024)
	b GPIF, Net of Revenue Taxes (b)	(932,365)	(932,365)	(932,365)	(932,365)	(932,365)	(932,365)
	c Oil Backout Revenues, Net of revenue Taxes	2	43	(3)	6	45	214
3	Jurisdictional Fuel Revenues Applicable to Period (a)	\$ 123,286,688	\$ 118,978,170	\$ 116,412,802	\$ 119,154,492	\$ 126,506,057	\$ 160,145,117
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 110,308,558	\$ 109,804,957	\$ 140,417,585	\$ 154,078,074	\$ 194,640,697	\$ 242,065,864
	b Nuclear Fuel Expense - 100% Retail	0	0	0	0	0	0
	c RTP Incremental Fuel - 100% Retail	70,392	43,654	83,536	58,870	117,510	97,742
	d D&D Fund Payments - 100% Retail	0	0	0	0	0	0
	e Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	110,238,166	109,761,303	140,334,048	154,019,204	194,523,187	241,968,122
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99190 %	99.98849 %	99.99318 %	99.98935 %	99.99133 %	99.99205 %
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00064) +(Lines C4b,c,d)	\$ 110,370,175	\$ 109,862,563	\$ 140,497,821	\$ 154,160,233	\$ 194,748,315	\$ 242,201,475
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ 12,916,513	\$ 9,115,607	\$ (24,085,019)	\$ (35,005,738)	\$ (68,242,258)	\$ (82,056,358)
8	Interest Provision for the Month (Line D10)	(234,109)	(203,171)	(263,389)	(442,000)	(755,399)	(1,194,043)
9	True-up & Interest Provision Beg of Period-Over/(Under) Recovery	42,377,583	51,528,521	56,909,492	29,029,619	(9,949,584)	(82,478,707)
	Deferred True-up Beginning of Period - Over/(Under) Recovery	(96,356,314)	(96,356,314)	(96,356,314)	(96,356,314)	(96,356,314)	(96,356,314)
10	a Prior Period True-up Collected/(Refunded) This Period	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,465)
	b Prior Period True-up Collected/(Refunded) This Period						7,412,024
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	\$ (44,827,793)	\$ (39,446,822)	\$ (67,326,696)	\$ (106,305,898)	\$ (178,835,021)	\$ (258,204,863)
<b>NOTES</b>							
	(a)	Per Order No. PSC-00-1061-PCO-EI, FPL was authorized to collect 60% of the \$231 million expense increase anticipated in the 2000 Midcourse Correction.					
	(b)	Generation Performance Incentive Factor is ((\$11,367,066/12) x 98.4280%) - See Order No. PSC-99-2512-FOF-EI.					
	(c)	Jurisdictional Loss Multiplier per Schedule E2 revised December 15, 1999.					

FOR THE PERIOD JANUARY THROUGH DECEMBER 2000

ACTUALS THROUGH JULY 2000 - REVISED ESTIMATES FOR AUGUST THROUGH

LINE NO.		(7) ACTUAL JULY	(8) ESTIMATED AUGUST	(9) ESTIMATED SEPTEMBER	(10) ESTIMATED OCTOBER	(11) ESTIMATED NOVEMBER	(12) ESTIMATED DECEMBER	(13) TOTAL PERIOD
<b>A Fuel Costs &amp; Net Power Transactions</b>								
1	a Fuel Cost of System Net Generation	\$ 241,544,424	\$ 257,159,720	\$ 227,748,580	\$ 189,254,630	\$ 136,130,180	\$ 128,657,830	\$ 2,009,938,005
	b Nuclear Fuel Disposal Costs	1,996,306	1,973,823	1,820,069	1,613,498	1,958,192	2,023,466	22,531,560
	c Coal Cans Depreciation & Return	332,805	331,073	329,340	327,607	325,875	324,142	4,104,516
	d Gas Pipelines Depreciation & Return	223,327	225,871	220,416	218,960	217,505	216,049	2,692,657
	e DOE D&D Fund Payment	0	0	0	0	5,930,000	0	5,930,000
2	a Fuel Cost of Power Sold	(12,522,898)	(9,984,000)	(6,980,850)	(4,122,000)	(3,709,500)	(5,321,250)	(75,117,362)
	b Revenues from Off-System Sales	(4,460,012)	(6,598,350)	(47,150)	(4,550)	(42,380)	(30,550)	(20,673,259)
3	a Fuel Cost of Purchased Power	14,169,527	13,606,350	11,367,190	12,052,150	12,423,050	12,384,480	148,930,708
	b Energy Payments to Qualifying Facilities	16,041,026	11,923,598	12,998,140	13,188,720	10,667,530	12,668,260	137,949,465
4	Energy Cost of Economy Purchases	6,605,747	2,940,257	4,799,922	5,250,050	4,800,043	4,589,886	57,050,832
5	Total Fuel Costs & Net Power Transactions	\$ 263,930,252	\$ 271,578,342	\$ 252,255,657	\$ 217,779,065	\$ 168,700,495	\$ 155,512,313	\$ 2,293,337,123
<b>Adjustments to Fuel Cost:</b>								
6	a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	(3,174,826)	(2,257,888)	(2,313,469)	(2,220,365)	(2,066,297)	(1,851,992)	(25,353,354)
	b Reactive and Voltage Control Fuel Revenue	(36,383)	0	0	0	0	0	(621,267)
	c Inventory Adjustments	(207,089)	0	0	0	0	0	(903,224)
	d Non Recoverable Oil Tank Bottoms	0	0	0	0	0	0	462,051
	e Modifications to Burn Low Gravity Oil	0	0	0	0	0	0	22,221
	f Other	0	0	0	0	0	0	0
7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 260,511,954	\$ 269,320,454	\$ 249,942,188	\$ 215,558,700	\$ 166,634,198	\$ 153,660,321	\$ 2,266,943,550
<b>B kWh Sales</b>								
1	Jurisdictional kWh Sales (RTP @ CBL)	8,509,493,477	8,813,869,000	8,731,138,000	7,958,907,000	6,943,641,000	6,563,089,000	87,896,045,657
2	Sale for Resale (excluding FKEC & CKW)	328,806	613,000	606,000	578,000	531,000	609,000	6,861,289
3	Sub-Total Sales (excluding FKEC & CKW)	8,509,824,283	8,814,482,000	8,731,744,000	7,959,485,000	6,944,172,000	6,563,698,000	87,902,906,946
<b>Jurisdictional % of Total kWh Sales (lines B1/B3)</b>								
		99.99614 %	99.99305 %	99.99306 %	99.99274 %	99.99235 %	99.99072 %	N/A
<b>C True-up Calculation</b>								
1	Jurisdictional Fuel Revenues (Incl RTP @ CBL) Net of Revenue Taxes	\$ 192,977,164	\$ 199,532,245	\$ 197,659,344	\$ 180,177,239	\$ 157,193,200	\$ 148,578,097	\$ 1,832,417,732
<b>Fuel Adjustment Revenues Not Applicable to Period:</b>								
a 1	Prior Period True-up Provision	3,531,465	3,531,465	3,531,465	3,531,466	3,531,466	3,531,466	42,377,583
a 2	Prior Period True-up Provision	(14,824,048)	(14,824,048)	(14,824,048)	(14,824,048)	(14,824,048)	(14,824,048)	(96,356,314)
b	GPFF, Net of Revenue Taxes (b)	(932,365)	(932,365)	(932,365)	(932,365)	(932,365)	(932,365)	(11,188,380)
c	Oil Backout Revenues, Net of revenue Taxes	0	0	0	0	0	0	306
3	Jurisdictional Fuel Revenues Applicable to Period (a)	\$ 180,752,217	\$ 187,307,296	\$ 185,434,395	\$ 167,952,291	\$ 144,968,253	\$ 136,353,149	\$ 1,767,250,927
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 260,511,954	\$ 269,320,454	\$ 249,942,188	\$ 215,558,700	\$ 166,634,198	\$ 153,660,321	\$ 2,266,943,550
	b Nuclear Fuel Expense - 100% Retail	0	0	0	0	0	0	0
	c RTP Incremental Fuel - 100% Retail	240,322	0	0	0	0	0	712,026
	d D&D Fund Payments - 100% Retail	0	0	0	0	5,930,000	0	5,930,000
	e Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	260,271,632	269,320,454	249,942,188	215,558,700	160,704,198	153,660,321	2,260,301,524
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99614 %	99.99305 %	99.99306 %	99.99274 %	99.99235 %	99.99072 %	N/A
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00064) +(Lines C4b,c,d)	\$ 260,668,475	\$ 269,474,089	\$ 250,084,794	\$ 215,680,998	\$ 166,724,747	\$ 153,744,395	\$ 2,268,218,080
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	\$ (79,916,257)	\$ (82,166,793)	\$ (64,650,399)	\$ (47,728,707)	\$ (21,756,494)	\$ (17,391,246)	\$ (500,967,153)
8	Interest Provision for the Month (Line D10)	(1,594,216)	(1,970,920)	(2,318,059)	(2,573,809)	(2,714,772)	(2,774,335)	(17,038,223)
9	True-up & Interest Provision Beg of Period-Over/(Under) Recovery	(169,260,574)	(224,654,416)	(282,675,497)	(323,527,323)	(347,713,208)	(346,067,844)	42,377,583
	Deferred True-up Beginning of Period - Over/(Under) Recovery	(88,944,290)	(103,768,338)	(118,592,386)	(133,416,435)	(148,240,483)	(163,064,531)	(96,356,314)
10	a Prior Period True-up Collected/(Refunded) This Period	(3,531,465)	(3,531,465)	(3,531,465)	(3,531,466)	(3,531,466)	(3,531,466)	(42,377,583)
	b Prior Period True-up Collected/(Refunded) This Period	14,824,048	14,824,048	14,824,048	14,824,048	14,824,048	14,824,048	96,356,314
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	\$ (328,422,754)	\$ (401,267,883)	\$ (456,943,758)	\$ (495,953,691)	\$ (509,132,375)	\$ (518,005,376)	\$ (518,005,376)
<b>NOTES</b>								
(a)	Per Order No. PSC-00-1081-PCO-EI, FPL was authorized to coll							
(b)	Generation Performance Incentive Factor is $(\$11,367,066/12) \times 9$							
(c)	Jurisdictional Loss Multiplier per Schedule E2 revised December							

**FLORIDA POWER & LIGHT COMPANY**  
**FUEL COST RECOVERY CLAUSE**  
**CALCULATION OF ESTIMATED/ACTUAL VARIANCE**  
**FOR THE PERIOD JANUARY THROUGH DECEMBER 2000**

LINE NO.		(1)	(2)	(3)	(4)
		ESTIMATED / ACTUAL	ORIGINAL PROJECTIONS (a)	VARIANCE AMOUNT %	
1	a Fuel Cost of System Net Generation	\$ 2,009,938,005	\$ 1,333,714,280	\$ 676,223,725	50.7 %
	b Nuclear Fuel Disposal Costs	22,531,560	21,512,679	1,018,881	4.7 %
	c Coal Cars Depreciation & Return	4,104,516	4,186,842	(82,326)	(2.0) %
	d Gas Pipelines Depreciation & Return	2,692,657	2,736,198	(43,541)	(0.7) %
	e DOE D&D Fund Payment	5,930,000	5,926,000	4,000	0.0 %
2	a Fuel Cost of Power Sold	(75,117,362)	(50,582,952)	(24,534,410)	48.5 %
	b Revenues from Off-System Sales	(20,673,259)	(19,000,000)	(1,673,259)	8.8 %
3	a Fuel Cost of Purchased Power	148,930,708	175,040,590	(26,109,882)	(14.9) %
	b Energy Payments to Qualifying Facilities	137,949,465	124,947,379	13,002,086	10.4 %
4	Energy Cost of Economy Purchases	57,050,832	29,906,800	27,144,032	90.8 %
5	Total Fuel Costs & Net Power Transactions	\$ 2,293,337,123	\$ 1,628,387,816	\$ 664,949,307	40.8 %
6	Adjustments to Fuel Cost:				
	a Sales to Fla Keys Elect Coop (FKEC) & City of Key West (CKW)	\$ (25,353,354)	\$ (23,738,738)	\$ (1,614,616)	6.8 %
	b Reactive and Voltage Control Fuel Revenue	(621,267)	0	(621,267)	N/A
	c Inventory Adjustments	(903,224)	0	(903,224)	N/A
	d Non Recoverable Oil/Tank Bottoms	462,051	0	462,051	N/A
	e Modifications to Burn Low Gravity Oil	22,221	0	22,221	N/A
7	Adjusted Total Fuel Costs & Net Power Transactions	\$ 2,266,943,550	\$ 1,604,649,077	\$ 662,294,471	41.3 %
C 1	Jurisdictional kWh Sales	87,896,045,657	85,722,255,000	2,173,790,657	2.5 %
2	Sale for Resale	6,861,289	7,170,000	(308,711)	(4.3) %
3	Total Sales (Excluding RTP Incremental)	87,902,906,946	85,729,425,000	2,173,481,946	2.5 %
4	Jurisdictional Sales % of Total kWh Sales (Line B-6)	N/A	N/A	N/A	N/A
D 1	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	\$ 1,832,417,732	1,574,352,616	\$ 258,065,116	16.4 %
	a1 Prior Period True-up Provision	42,377,583	42,377,583	0	0.0 %
	a2 Prior Period True-up Provision	(96,356,314)	0	(96,356,314)	N/A
	b Generation Performance Incentive Factor Net (b)	(11,188,380)	(11,188,380)	0	0.0 %
	c Oil Backout Revenues, Net of revenue Taxes	306	0	306	N/A
3	Jurisdictional Fuel Revenues Applicable to Period	\$ 1,767,250,927	\$ 1,605,541,819	\$ 161,709,108	10.1 %
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	\$ 2,266,943,550	\$ 1,604,649,077	\$ 662,294,471	41.3 %
	b Nuclear Fuel Expense - 100% Retail	0	0	0	N/A
	c RTP Incremental Fuel -100% Retail	712,026	0	712,026	N/A
	d D&D Fund Payments -100% Retail (Line A 1 e)	5,930,000	0	5,930,000	N/A
	e Adj. Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (D4a-D4b-D4c-D4d)	2,260,301,524	1,604,649,077	661,582,445	41.2 %
5	Jurisdictional Sales % of Total kWh Sales	N/A	N/A	N/A	N/A
6	Jurisdictional Total Fuel Costs & Net Power Transactions	\$ 2,268,218,080	\$ 1,605,541,819	\$ 662,676,261	41.3 %
7	True-up Provision for the Period- Over/(Under) Recovery (Line D3 - Line D6)	\$ (500,967,153)	\$ 0	\$ (500,967,153)	N/A
8	Interest Provision for the Month	(17,038,223)	0	(17,038,223)	N/A
9	True-up & Interest Provision Beg. of Period - Over/(Under) Recovery	42,377,583	42,377,583	0	0.0 %
	a Deferred True-up Beginning of Period - Over/(Under) Recovery	(96,356,314)	0	(96,356,314)	N/A
10	a Prior Period True-up Collected/(Refunded) This Period	(42,377,583)	(42,377,583)	0	0.0 %
	b Prior Period True-up Collected/(Refunded) This Period	96,356,314		96,356,314	N/A
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines D7 through D10)	\$ (518,005,376)	\$ 0	\$ (518,005,376)	N/A

**NOTES** (a) Per Estimated Schedule E-2, revised December 15, 1999.  
(b) Generation Performance Incentive Factor is (\$11,367,066 x 98.4280%) - See Order No. PSC-99-2512-FOF-EI.

APPENDIX II  
CAPACITY COST RECOVERY  
ESTIMATED/ACTUAL TRUE-UP

<u>Page(s)</u>	<u>Description</u>	<u>Sponsor</u>
2-3	Calculation of the Estimated/Actual True-up Amount	Dubin
4	Variance	Dubin

## CAPACITY COST RECOVERY CLAUSE

## CALCULATION OF ESTIMATED/ACTUAL TRUE-UP AMOUNT

SEVEN MONTHS ACTUAL FIVE MONTHS ESTIMATED

FOR THE PERIOD JANUARY THROUGH DECEMBER 2000

LINE NO.		(1)	(2)	(3)	(4)	(5)	(6)
		ACTUAL JAN 2000	ACTUAL FEB 2000	ACTUAL MAR 2000	ACTUAL APR 2000	ACTUAL MAY 2000	ACTUAL JUN 2000
1.	UPS Capacity Charges	\$ 9,093,678.00	\$ 9,499,081.00	\$ 9,320,275.00	\$ 9,219,263.00	\$ 9,019,651.00	\$ 9,196,312.00
2.	Short Term Capacity Purchases CCR	0.00	0.00	0.00	0.00	0.00	3,779,000.00
3.	QF Capacity Charges	26,406,493.27	26,498,606.07	25,962,121.20	26,759,341.94	26,608,232.57	26,567,549.89
4.	SJRPP Capacity Charges	7,274,434.99	7,282,165.88	7,707,571.14	7,625,508.83	7,433,150.86	7,423,269.10
4a.	SJRPP Suspension Accrual	391,667.00	391,667.00	391,667.00	364,775.00	364,775.00	364,775.00
4b.	Return on SJRPP Suspension Liability	(106,038.28)	(109,894.20)	(113,750.15)	(117,473.71)	(121,064.90)	(124,656.10)
5.	SJRPP Deferred Interest Payment	(308,458.17)	(308,458.17)	(233,106.95)	(233,106.95)	(233,106.95)	(233,106.95)
6.	Cypress Settlement (Capacity)	0.00	0.00	0.00	1,530,589.14	0.00	0.00
7.	Trans. of Electricity by Others - FPL Sales	34,414.07	12,890.00	13,739.50	(3,667.20)	50,560.70	355,975.81
8.	Revenues from Capacity Sales	(657,825.63)	(269,478.09)	(290,773.14)	(356,613.43)	(501,496.25)	(275,795.86)
9.	Total (Lines 1 through 8)	\$ 42,128,365.25	\$ 42,996,579.49	\$ 42,757,743.60	\$ 44,788,616.62	\$ 42,620,702.03	\$ 47,053,322.89
10.	Jurisdictional Separation Factor (a)	97.87297%	97.87297%	97.87297%	97.87297%	97.87297%	97.87297%
11.	Jurisdictional Capacity Charges	41,232,282.28	42,082,029.35	41,848,273.57	43,835,949.31	41,714,146.91	46,052,484.60
12.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)
13.	Jurisdictional Capacity Charges Authorized	\$ 36,486,816.28	\$ 37,336,563.35	\$ 37,102,807.57	\$ 39,090,483.31	\$ 36,968,680.91	\$ 41,307,018.60
14.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 30,219,886.13	\$ 29,996,057.19	\$ 28,692,655.49	\$ 29,715,040.03	\$ 31,392,464.44	\$ 37,706,366.65
15.	Prior Period True-up Provision	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00
16.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 37,242,293.13	\$ 37,018,464.19	\$ 35,715,062.49	\$ 36,737,447.03	\$ 38,414,871.44	\$ 44,728,773.65
17.	True-up Provision for Month - Over/(Under) Recovery (Line 16 - Line 13)	755,476.85	(318,099.16)	(1,387,745.08)	(2,353,036.28)	1,446,190.52	3,421,755.06
18.	Interest Provision for Month	463,570.11	441,058.87	414,556.24	384,553.27	362,576.91	350,797.70
19.	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	84,268,889.00	78,465,528.96	71,566,081.67	63,570,485.83	54,579,595.82	49,365,956.26
20.	Deferred True-up - Over/(Under) Recovery	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00
21.	Prior Period True-up Provision - Collected/(Refunded) this Month	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)
22.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 17 through 21)	\$ 94,923,812.96	\$ 88,024,365.67	\$ 80,028,769.83	\$ 71,037,879.82	\$ 65,824,240.26	\$ 62,574,386.01
Notes: (a) Per K. M. Dubin's Testimony Appendix III Page 3, Docket No. 990001-EI, filed October 1, 1999							
(b) Per FPSC Order No. PSC-94-1092-FOF-EI, Docket No. 940001-EI, as adjusted in August 1993, per E.L. Hoffman's Testimony Appendix IV, Docket No. 930001-EI, filed July 8, 1993.							



CAPACITY COST RECOVERY CLAUSE									
CALCULATION OF ESTIMATED/ACTUAL TRUE-UP AMOUNT									
SEVEN MONTHS ACTUAL FIVE MONTHS ESTIMATED									
FOR THE PERIOD JANUARY THROUGH DECEMBER 2000									
LINE NO.		(7) ACTUAL JUL 2000	(8) ESTIMATED AUG 2000	(9) ESTIMATED SEP 2000	(10) ESTIMATED OCT 2000	(11) ESTIMATED NOV 2000	(12) ESTIMATED DEC 2000	(13) TOTAL	LINE NO.
1.	UPS Capacity Charges	\$ 7,721,900.00	\$ 17,481,730.00	\$ 17,481,730.00	\$ 17,481,730.00	\$ 17,481,730.00	\$ 17,481,730.00	\$ 150,478,810.00	1.
2.	Short Term Capacity Purchases CCR	3,779,000.00	0.00	0.00	0.00	0.00	0.00	7,558,000.00	2.
3.	QF Capacity Charges	26,452,487.44	27,729,281.00	27,729,281.00	27,729,281.00	27,729,281.00	27,729,281.00	323,901,237.38	3.
4.	SJRPP Capacity Charges	7,117,693.35	0.00	0.00	0.00	0.00	0.00	51,863,794.15	4.
4a.	SJRPP Suspension Accrual	364,775.00	364,775.00	364,775.00	364,775.00	364,775.00	364,775.00	4,457,976.00	4a.
4b.	Return on SJRPP Suspension Liability	(128,247.29)	(131,838.48)	(135,429.65)	(139,020.85)	(142,612.05)	(146,203.23)	(1,516,228.89)	4b.
5.	SJRPP Deferred Interest Payment	(233,106.95)	(233,106.95)	(233,106.95)	(233,106.95)	(233,106.95)	(233,106.95)	(2,947,985.84)	5.
6.	Cypress Settlement (Capacity)	0.00	0.00	0.00	1,530,589.00	203,000.00	0.00	3,264,178.14	6.
7.	Trans. of Electricity by Others - FPL Sales	356,545.88	0.00	0.00	0.00	0.00	0.00	820,458.76	7.
8.	Revenues from Capacity Sales	(524,499.07)	(905,687.00)	(679,472.00)	(29,234.00)	(29,234.00)	(42,385.00)	(4,562,493.47)	8.
9.	Total (Lines 1 through 8)	\$ 44,906,548.36	\$ 44,305,153.57	\$ 44,527,777.40	\$ 46,705,013.20	\$ 45,373,833.00	\$ 45,154,090.82	\$ 533,317,746.23	9.
10.	Jurisdictional Separation Factor (a)	97.87297%	97.87297%	97.87297%	97.87297%	97.87297%	97.87297%	N/A	10.
11.	Jurisdictional Capacity Charges	43,951,372.60	43,362,769.66	43,580,658.22	45,711,583.56	44,408,717.96	44,193,649.76	521,973,917.77	11.
12.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(4,745,466.00)	(56,945,592.00)	12.
13.	Jurisdictional Capacity Charges Authorized	\$ 39,205,906.60	\$ 38,617,303.66	\$ 38,835,192.22	\$ 40,966,117.56	\$ 39,663,251.96	\$ 39,448,183.76	\$ 465,028,325.77	13.
14.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 38,504,653.20	\$ 43,463,328.05	\$ 43,055,361.40	\$ 39,247,302.84	\$ 34,240,779.69	\$ 32,364,185.38	\$ 418,598,080.47	14.
15.	Prior Period True-up Provision	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	7,022,407.00	7,022,412.00	84,268,889.00	15.
16.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 45,527,060.20	\$ 50,485,735.05	\$ 50,077,768.40	\$ 46,269,709.84	\$ 41,263,186.69	\$ 39,386,597.38	\$ 502,866,969.47	16.
17.	True-up Provision for Month - Over/(Under) Recovery (Line 16 - Line 13)	6,321,153.59	11,868,431.38	11,242,576.18	5,303,592.28	1,599,934.73	(61,586.39)	37,838,643.70	17.
18.	Interest Provision for Month	339,119.49	350,107.68	376,558.37	385,372.57	368,119.01	336,241.30	4,572,631.52	18.
19.	True-up & Interest Provision Beginning of Month - Over/(Under) Recovery	46,116,102.01	45,753,968.09	50,950,100.16	55,546,827.71	54,213,385.56	49,159,032.30	84,268,889.00	19.
20.	Deferred True-up - Over/(Under) Recovery	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	16,458,284.00	20.
21.	Prior Period True-up Provision - Collected/(Refunded) this Month	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,407.00)	(7,022,412.00)	(84,268,889.00)	21.
22.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 17 through 21)	\$ 62,212,252.09	\$ 67,408,384.16	\$ 72,005,111.71	\$ 70,671,669.56	\$ 65,617,316.30	\$ 58,869,559.22	\$ 58,869,559.22	22.
Notes: (a) Per K. M. Dublin's Testimony Appendix III Page (b) Per FPSC Order No. PSC-94-1092-FOF-EI, Dec Appendix IV, Docket No. 930001-EI, filed July 8,									

**FLORIDA POWER & LIGHT COMPANY  
CAPACITY COST RECOVERY CLAUSE  
CALCULATION OF ESTIMATE/ACTUAL TRUE-UP VARIANCES  
FOR THE PERIOD JANUARY THROUGH DECEMBER 2000**

Line No.		(1)	(2)	(3)	(4)
		ESTIMATED / ACTUAL	ORIGINAL PROJECTIONS(a)	VARIANCE AMOUNT %	
1.	Payments to Non-cogenerators	\$ 206,952,618	\$ 209,971,047	\$ (3,018,429)	(1.4) %
2	Payments to Cogenerators	323,901,237	331,361,562	(7,460,325)	(2.3) %
3.	SJRPP Suspension Accrual	4,457,976	4,700,000	(242,024)	(5.1) %
4.	Return Requirements on SJRPP Suspension Liability	(1,516,229)	(1,526,951)	10,722	(0.7) %
4b.	Cypress Settlement (Capacity)	3,264,178	3,467,177	(202,999)	(5.9) %
5.	Transmission of Electricity by Others - FPL Sales	820,459	0	820,459	N/A
6.	Revenues from Capacity Sales	(4,562,493)	(6,602,455)	2,039,962	(30.9) %
7.	Total (Lines 1 through 6)	\$ 533,317,746	\$ 541,370,380	\$ (8,052,634)	(1.5) %
8.	Jurisdictional Separation Factor	N/A	N/A	N/A	N/A
9.	Jurisdictional Capacity Charges	\$ 521,973,918	\$ 529,855,269	\$ (7,881,351)	(1.5) %
10.	Capacity related amounts included in Base Rates (FPSC Portion Only) (b)	\$ (56,945,592)	(56,945,592)	0	N/A
11.	Jurisdictional Capacity Charges Authorized for Recovery through CCR Clause	\$ 465,028,326	\$ 472,909,677	\$ (7,881,351)	(1.7) %
12.	Capacity Cost Recovery Revenues (Net of Revenue Taxes)	\$ 418,598,080	\$ 388,640,788	\$ 29,957,292	7.7 %
13.	Prior Period True-up Provision	84,268,889	84,268,889	0	N/A
14.	Capacity Cost Recovery Revenues Applicable to Current Period (Net of Revenue Taxes)	\$ 502,866,969	\$ 472,909,677	\$ 29,957,292	6.3 %
15.	True-up Provision for Period - Over/(Under) Recovery (Line 14 - Line 11)	\$ 37,838,644	\$ -	\$ 37,838,644	N/A
16.	Interest Provision for Period	4,572,632	0	4,572,632	N/A
17.	True-up & Interest Provision Beginning of Period - Over/(Under) Recovery	84,268,889	84,268,889	0	N/A
18.	Deferred True-up - Over/(Under) Recovery	16,458,284	0	16,458,284	N/A
19.	Prior Period True-up Provision - Collected/(Refunded) this Period	(84,268,889)	(84,268,889)	0	N/A
20.	End of Period True-up - Over/(Under) Recovery (Sum of Lines 15 through 19)	\$ 58,869,559	\$ -	\$ 58,869,559	N/A

**Notes:** (a) Per K. M. Dubin's Testimony (Revised) Appendix III, Page 3, Docket No. 980001-EI, filed October 1, 1999  
(b) Per FPSC Order No. PSC-94-1092-FOF-EI, Docket No. 940001-EI, as adjusted in August 1993, per E.L. Hoffman's Testimony Appendix IV, Docket No. 930001-EI, filed July 8, 1993.