

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF TERRY J. KEITH**

4 **DOCKET NO. 110001-EI**

5 **October 26, 2011**

6
7 **Q. Please state your name and address.**

8 A. My name is Terry J. Keith and my business address is 9250
9 West Flagler Street, Miami, Florida 33174.

10 **Q. By whom are you employed and what is your position?**

11 A. I am employed by Florida Power & Light Company (FPL) as
12 Director, Cost Recovery Clauses in the Regulatory Affairs
13 Department.

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

15 A. Yes, I have.

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

17 A. The purpose of my testimony is to present for Commission
18 review and approval revised Capacity Cost Recovery (CCR)
19 cost projections for the period January 2012 through December
20 2012 that reflect the Nuclear Power Plant Cost Recovery
21 (NPPCR) amount approved by the Commission on October 24,
22 2011 in Docket No. 110009-EI.

23 **Q. Have you prepared or caused to be prepared under your**

COM 5
APA 1
ECR 0
GCL 1
RAD 1
SRC
ADM
OPC
CLK CF.RPR

1 **direction, supervision or control any exhibits in this**
2 **proceeding?**

3 A. Yes, I have. TJK-10 provides the two pages in the CCR
4 schedules for the period January 2012 through December 2012
5 that reflect the NPPCR amount approved by the Commission.

6 **Q. What is the NPPCR amount that the Commission approved**
7 **for recovery through the CCR during the January 2012**
8 **through December 2012 period?**

9 A. At the October 24, 2011 agenda conference the Commission
10 authorized FPL to recover \$196,088,824 through the CCR
11 during the January 2012 through December 2012 period.

12 **Q. Is this the same amount that FPL included in the 2012 CCR**
13 **factors at the time of FPL's September 1, 2011 projection**
14 **filing?**

15 A. No. In its September 1, 2011 filing in this docket, FPL included
16 \$196,092,631 for the NPPCR in the calculation of its 2012 CCR
17 factors reflected in Exhibit WP-10 contained in the NPPCR
18 testimony and exhibits of Winnie Powers filed on June 10, 2011
19 in Docket No. 110009-EI. At the October 24, 2011 agenda
20 conference, the Commission reduced overall recovery by
21 \$3,807, from \$196,092,631 to \$196,088,824.

22 **Q. Does this revision change the CCR factors filed on**
23 **September 1, 2011?**

1 A. No. Due to the minor change in the approved NPPCR amount,
2 the CCR factors based on this revised amount do not change
3 from those filed in my testimony on September 1, 2011.

4 **Q. Does this conclude your testimony?**

5 A. Yes, it does.

EXHIBIT TJK-10
DOCKET NO. 110001-EI
PAGES 1-3
OCTOBER 26, 2011

FLORIDA POWER & LIGHT COMPANY
 PROJECTED CAPACITY PAYMENTS
 JANUARY 2012 THROUGH DECEMBER 2012

	PROJECTED												TOTAL	
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER		
1. CAPACITY PAYMENTS TO NON-COGENERATORS	\$18,062,808	\$18,062,808	\$17,471,928	\$17,471,928	\$17,485,566	\$18,253,206	\$18,253,206	\$18,253,206	\$17,199,126	\$17,119,608	\$17,185,488	\$17,449,008	\$212,267,891	
2. CAPACITY PAYMENTS TO COGENERATORS	\$23,299,423	\$23,299,423	\$23,299,423	\$24,552,923	\$24,552,923	\$24,552,923	\$24,552,923	\$24,552,923	\$24,552,923	\$24,552,923	\$24,552,923	\$24,552,923	\$290,874,574	
3. SJRPP SUSPENSION ACCRUAL	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$ 136,425	\$1,637,100	
4. RETURN REQUIREMENTS ON SJRPP SUSPENSION LIABILITY	\$ (444,414)	\$ (445,506)	\$ (446,598)	\$ (447,689)	\$ (448,781)	\$ (449,872)	\$ (450,964)	\$ (452,056)	\$ (453,147)	\$ (454,239)	\$ (455,331)	\$ (456,422)	(\$5,405,019)	
5. INCREMENTAL PLANT SECURITY COSTS	\$ 3,068,644	\$ 3,075,042	\$ 3,721,031	\$ 3,457,827	\$ 3,173,606	\$ 3,946,429	\$ 3,397,617	\$ 4,209,334	\$ 4,959,350	\$ 3,040,927	\$ 3,138,231	\$ 3,963,232	\$43,151,276	
6. TRANSMISSION OF ELECTRICITY BY OTHERS	\$1,688,773	\$1,711,363	\$1,428,445	\$1,303,740	\$1,244,938	\$1,085,643	\$1,093,901	\$1,143,672	\$1,247,506	\$1,314,771	\$1,830,868	\$1,871,149	\$18,964,769	
7. TRANSMISSION REVENUES FROM CAPACITY SALES	(361,171)	(251,125)	(177,704)	(32,425)	(44,819)	(36,512)	(64,917)	(26,165)	(27,215)	(38,690)	(183,987)	(272,972)	(\$1,517,701)	
8. SYSTEM TOTAL	\$45,450,488	\$45,588,431	\$45,432,951	\$46,442,730	\$46,099,859	\$47,488,242	\$46,918,192	\$47,817,340	\$47,614,968	\$45,671,726	\$46,204,618	\$47,243,343	\$557,972,889	
9. JURISDICTIONAL % *													98.01395%	
10. JURISDICTIONALIZED CAPACITY PAYMENTS													\$546,891,268	
11. 2010 FINAL TRUE-UP – (overrecovery)/underrecovery (\$3,364,670)													2011 ACT/EST TRUE-UP – (overrecovery)/underrecovery (\$25,243,602)	(\$28,608,272)
12. NUCLEAR COST RECOVERY CLAUSE													\$196,088,824	
13. TOTAL (Lines 11+12+13+14+15)													\$714,371,820	
14. REVENUE TAX MULTIPLIER													1.00072	
15. TOTAL RECOVERABLE CAPACITY PAYMENTS													<u>\$714,886,188</u>	

*CALCULATION OF JURISDICTIONAL %

	AVG. 12 CP AT GEN.(MM)	%
FPSC	19,452	98.01395%
FERC	384	1.98605%
TOTAL	<u>19,846</u>	<u>100.00000%</u>

* BASED ON 2010 ACTUAL DATA

FLORIDA POWER & LIGHT COMPANY
 CALCULATION OF CAPACITY PAYMENT RECOVERY FACTOR
 JANUARY 2012 THROUGH DECEMBER 2012

Rate Schedule	(1) Percentage of Sales at Generation (%)	(2) Percentage of Demand at Generation (%)	(3) Energy Related Cost (\$)	(4) Demand Related Cost (\$)	(5) Total Capacity Costs (\$)	(6) Projected Sales at Meter (kwh)	(7) Billing KW Load Factor (%)	(8) Projected Billed KW at Meter (kw)	(9) Capacity Recovery Factor (\$/kw)	(10) Capacity Recovery Factor (\$/kwh)
RS1/RST1	53.93428%	62.42542%	\$29,659,131	\$411,942,153	\$441,601,284	55,179,030,324	-	-	-	0.00800
GS1/GST1/WIES1	5.31359%	4.67834%	\$2,922,011	\$30,872,127	\$33,794,138	5,436,225,128	-	-	-	0.00622
GSD1/GSDT1/HFLT1 (21-499 kW)	23.26687%	19.74926%	\$12,794,743	\$130,324,340	\$143,119,083	23,806,124,732	48.13081%	67,755,211	2.11	-
OS2	0.01176%	0.00491%	\$6,467	\$32,403	\$38,870	12,458,252	-	-	-	0.00312
GSLD1/GSLDT1/CS1/CST1/HFLT2 (500-1,999 kW)	10.15434%	8.67939%	\$5,583,996	\$57,274,837	\$62,858,833	10,401,423,229	55.57403%	25,638,820	2.45	-
GSLD2/GSLDT2/CS2/CST2/HFLT3 (2,000+ kW)	2.13756%	1.51193%	\$1,175,472	\$9,977,146	\$11,152,618	2,211,649,384	64.96147%	4,663,775	2.39	-
GSLD3/GSLDT3/CS3/CST3	0.20383%	0.14437%	\$112,091	\$952,666	\$1,064,757	218,123,888	79.77315%	374,562	2.84	-
ISST1D	0.00000%	0.00000%	\$0	\$0	\$0	0	40.34162%	0	-	-
ISST1T	0.00000%	0.00000%	\$0	\$0	\$0	0	14.81400%	0	**	-
SST1T	0.09391%	0.09832%	\$51,645	\$648,785	\$700,430	100,498,031	14.81400%	929,313	**	-
SST1D1/SST1D2/SST1D3	0.00687%	0.00328%	\$3,775	\$21,671	\$25,446	7,272,632	40.34162%	24,695	**	-
CILC D/CILC G	2.90401%	1.81478%	\$1,596,949	\$11,975,671	\$13,572,620	3,006,093,828	72.59057%	5,672,826	2.39	-
CILC T	1.24495%	0.76233%	\$684,615	\$5,030,548	\$5,715,163	1,332,228,131	74.89771%	2,436,617	2.35	-
MET	0.07523%	0.06888%	\$41,369	\$454,540	\$495,909	79,693,587	58.83617%	185,548	2.67	-
OL1/SL1/PL1	0.57586%	0.00769%	\$316,670	\$50,716	\$367,386	589,146,032	-	-	-	0.00062
SL2/GSCU1	0.07694%	0.05112%	\$42,309	\$337,322	\$379,631	78,713,822	-	-	-	0.00482
TOTAL			\$54,991,243	\$659,894,925	\$714,886,168	102,458,681,000		107,681,367		

3

Note: There are currently no customers taking service on Schedules ISST1(D) and ISST1(T). Should any customer begin taking service on these schedules during the period, they will be billed using the applicable SST1 factor.

- (1) Obtained from Page 2, Col(8)
- (2) Obtained from Page 2, Col(9)
- (3) (Total Capacity Costs/13) * Col (1)
- (4) (Total Capacity Costs/13 * 12) * Col (2)
- (5) Col (3) + Col (4)
- (6) Projected kwh sales for the period January 2012 through December 2012.
- (7) (kWh sales / 8760 hours)/((avg customer NCP)/(8760 hours))
- (8) Col (6) / ((7) * 730)
- (9) Col (5) / (8)
- (10) Col (5) / (6)

Totals may not add due to rounding

CAPACITY RECOVERY FACTORS FOR STANDBY RATES

Demand =	(Total col 5)/(Doc 2, Total col 7)/(10) (Doc 2, col 4)	
Charge (RDD)	12 months	
Sum of Daily		
Demand =	(Total col 5)/(Doc 2, Total col 7)/(21 onpeak days) (Doc 2, col 4)	
Charge (DDC)	12 months	
CAPACITY RECOVERY FACTOR		
	RDC	SDD
	** (\$/kw)	** (\$/kw)
ISST1D	\$0.32	\$0.15
ISST1T	\$0.32	\$0.15
SST1T	\$0.32	\$0.15
SST1D1/SST1D2/SST1D3	\$0.32	\$0.15