

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for change in) DOCKET NO. 930383-EI
AFUDC rate by Florida Power and) ORDER NO. PSC-93-1142-FOF-EI
Light Company.) ISSUED: August 5, 1993
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION

ORDER GRANTING REVISED AFUDC RATE

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On April 14, 1993, Florida Power and Light Company (FPL or the Company) requested that its Allowance for Funds Used During Construction (AFUDC) rate of 8.61% be increased to 8.67%, effective January 1, 1993. A six basis point increase in FPL's AFUDC rate from December 31, 1991 to December 31, 1992, is due to an increase in the Company's equity ratio from 47.90% to 48.93% of investor sources of capital. This request includes a zero-cost rate for all investment tax credits. The computation of this AFUDC rate used FPL's 13-month average capital structure for the period ended December 31, 1992, a return on equity (ROE) of 12.80% approved by this Commission in Order No. 22490, and is in accordance with our Rule 25-06.0141, Florida Administrative Code.

This docket will remain open in order to receive a subsequent filing from FPL consistent with our issuance of Order No. PSC-93-1024-FOF-EI. In that Order we reduced FPL's ROE to 12.0% for all regulatory purposes, effective July 13, 1993. FPL has agreed to file by August 16, 1993, a revised AFUDC rate consistent with the new ROE of 12.0% effective July 1, 1993.

DOCUMENT FILED DATE

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We find that FPL's request is reasonable and in accord with our applicable rule, and we approve it.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that effective January 1, 1993, the AFUDC rate for Florida Power and Light Company is hereby set at 8.67% based upon the 13-month average capital structure for the period ended December 31, 1992. It is further

ORDERED that the appropriate compounding monthly rate to maintain a simple rate of 8.67% is .695286%. It is further

ORDERED that this docket shall remain open to receive by August 16, 1993 the subsequent filing described in the body of this Order.

By ORDER Of the Florida Public Service Commission this 5th day of August, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)
MRC:bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

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The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on August 26, 1993.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.