

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost ) DOCKET NO. 900001-EI  
 Recovery Clause and Generating ) ORDER NO. 22581  
Performance Incentive Factor. ) ISSUED: 2-21-90

Pursuant to Notice, a Prehearing Conference was held on February 12, 1990, in Tallahassee, before Commissioner John T. Herndon, Prehearing Officer.

APPEARANCES:

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PREHEARING ORDER

Background

As part of the continuing fuel and energy conservation cost recovery proceedings, a hearing is set for February 21-23, 1990, in this docket and in Dockets Nos. 900002-EG and 900003-GU. The following subjects were noticed for hearing in such dockets:

1. Determination of the Proposed Levelized Fuel Adjustment Factors for all investor-owned utilities for the period April, 1990 through September, 1990;
2. Determination of the Estimated Fuel Adjustment True-Up Amounts for all investor-owned electric utilities for the period October, 1989 through March, 1990, which are to be based on actual data for the period October, 1989 through November, 1989, and revised estimates for the period December, 1989 through March, 1990;
3. Determination of the Final Fuel Adjustment True-Up Amounts for all investor-owned electric utilities for the period April, 1989 through September, 1989, which are to be based on actual data for that period;
4. Determination of the Projected Conservation Cost Recovery Factors for certain investor-owned electric and gas utilities for the period April, 1990 through September, 1990;
5. Determination of the Estimated Conservation True-Up Amounts for certain investor-owned electric and gas utilities for the period October, 1989 through March, 1990, which are to be based on actual data for the period October, 1989 through November, 1989, and revised estimates for the period December, 1989 through March, 1990;
6. Determination of the Final Conservation True-Up Amounts for certain investor-owned electric and gas utilities for the period April, 1989 through

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- September, 1989, which are to be based on actual data for that period;
7. Determination of any Projected Oil Backout Cost Recovery Factors for the period April, 1990 through September, 1990, for the cost of approved oil backout projects to be recovered pursuant to the provisions of Rule 25-17.16, Florida Administrative Code;
  8. Determination of the Estimated Oil Backout Cost Recovery True-Up Factors for the period October, 1989 through March, 1990, for the costs of approved oil backout projects to be recovered pursuant to the provisions of Rule 25-17.16, Florida Administrative Code, which are to be based on actual data for the period October, 1989 through November, 1990, and revised estimates for the period December, 1989 through March, 1990;
  9. Determination of the Final Oil Backout True-Up Amounts for the period April, 1989 through September, 1989, which are to be based on actual data for that period;
  10. Determination of Generating Performance Incentive Factor Targets and Ranges for the period April, 1990 through September, 1990;
  11. Determination of Generating Performance Incentive Factor Rewards and Penalties for the period April, 1989 through September, 1989; and
  12. Determination of the Purchased Gas Adjustment True-Up Amounts for the period April, 1989 through September, 1989, to be recovered during the period April, 1990 through September, 1990.

#### Use of Prefiled Testimony

All testimony which has been prefiled in this case will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and exhibits, unless there is a sustainable objection. All testimony remains subject to appropriate objections. Each



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witness will have the opportunity to orally summarize his testimony at the time he or she takes the stand.

#### Use of Depositions and Interrogatories

If any party seeks to introduce an interrogatory or a deposition, or a portion thereof, the request will be subject to proper objections and the appropriate evidentiary rules will govern. The parties will be free to utilize any exhibits requested at the time of the depositions, subject to the same conditions.

#### Order of Witnesses

The witness schedule is set forth below in order of appearance by the witness' name, subject matter, and the issues which will be covered by his or her testimony.

Witnesses whose names are preceded by an asterisk (\*) have been excused. The parties have stipulated that the testimony of such witnesses will be inserted into the record as though read, and cross-examination will be waived.

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
<u>(Direct)</u>		
*1. K.H. Wieland (FPC)	Fuel adjustment true-up and projections	1-7
*2. W.C. Micklon (FPC)	GPIF - Reward/Penalty and Targets/Ranges	8,9
*3. R. Silva (FPL)	Fuel Adjustment, True- Up and Projections	1-7
*4. G.L. Whiting (FPL)	Fuel Adjustment, True- Up and Projections	1-7
*5. D.L. Babka (FPL)	Fuel Adjustment, True- Up and Projections	1-7
*6. K.M. Dubin (FPL)	Fuel Adjustment, True- Up and Projections	1-7

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*7. M.J. Barrios (FPL)	GPIF, reward/penalty and targets/ranges	8,9
*8. D.L. Babka (FPL)	Oil Backout, True-up and Projections	10,11,12, 13b, 13c
*9.S.S. Waters (FPL)	Oil Backout, True-up True-Up and Projections	10,11,12, 13b, 13c
*10.Bachman (FPUC)	Purchased power cost recovery; true- up (Marianna and Fernandina Beach)	1-4, 6, 7
11. D. Ranney (Gulf)	Fuel adjustment, true-up and projections	1-3
12. M.L.Gilchrist (Gulf)	Fuel adjustment, true-up and projections	1-3
*13.G.D. Fontaine (Gulf)	GPIF, reward/penalty and targets and ranges	4-6
14. M.W. Howell (Gulf)	System Dispatch targets and ranges	7c
*15.J.E. Mulder (TECO)	Fuel Adjustment, True-up and Projections	1-7
*16.G.A. Keselowsky (TECO)	GPIF Reward/Penalty and Projections	8,9
*17.R.F. Tomczak (TECO)	Oil Backout Cost Recovery True-Up and Projections	10-13
*18.A.D. Remmers (TECO)	Oil Backout Cost Recovery True-Up and Projections	10-13
19. A. Payne (OPC)	Gulf's lease of rail cars for Plant Daniel	7d-g
<u>(Rebuttal)</u>		
20. E.B. Parsons (Gulf)	Daniel Railcars	7d,f,g

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21. A.E. Scarbrough      Daniel Railcars      7d,e,f,g  
    (Gulf)

(Surrebuttal)

22. A. Payne              Daniel Railcars      7d-g  
    (OPC)

EXHIBIT LIST

The parties have stipulated that exhibits marked with an asterisk (\*) will be inserted into the record by agreement.

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
* _____ (KHW- )	Wieland (FPC)	True-up: Variance Analysis, Schedules A1 - A13
* _____ (KHW- )	Wieland (FPC)	Projections: Fore- cast Assumptions (Parts A-C), Schedules E1 - E11 H1 and COG
* _____ (WCM- )	Micklon (FPC) Schedules	Reward/Penalty: Standard Form GPIF
* _____ (WCM- )	Micklon (FPC)	Targets/Ranges: Standard Form GPIF Schedules
* _____ (DLB- )	Babka (FPL)	Levelized Fuel Cost Recovery Final True-Up April 1989 through Sept. 1989, Schedules A1-A13
* _____ (MB- )	Barrios (FPL)	GPIF - Document 1 April 1989 through Sept. 1989

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<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
* _____ (DLB/SSW- )	Babka Waters (FPL)	Levelized Oil-Backout Cost Recovery True- up, April 1989 through September 1989, Oil Backout Schedules
* _____ (RS/GLW/ DLB/KMD- )	Silva Whiting Babka Dubin (FPL)	Levelized Fuel Recovery Factor, April 1990 - Sept. 1990, Schedules A1-A13, October 1989- November 1989, Schedules E1-E11 and H1, April 1990 - September 1990
* _____ (MB- )	Barrios (FPL)	GPIF - Document 1 April 1990 through September 1990
* _____ (DLB/SSW- )	Babka Waters (FPL)	Levelized Oil-Backout Cost Recovery Factor April 1990 through September 1990, Oil Backout Schedules (Appendix 1 and 2)
* _____ (GB-1) (composite)	Bachman (FPUC)	Schedules E1, with Attach- ment, Elb, E2, E4, E8, E10, E11, H1 & M1; also, Calculation of True-up Surcharge (Exhibit A) (Marianna Division)
* _____ (GB-2) (composite)	Bachman (FPUC)	Schedules E1, Elb, E2, E4, E8, E8A, E10, E11, H1 & F1; also, Calculation of True-up Surcharge (Exhibit A) and Allocation of Purchased Power Demand Charges (Exhibit B)

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<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u>(DR-1)</u>	Ranney (Gulf)	True-up Calculation
<u>(DR-2)</u>	Ranney (Gulf)	Schedules E-1 through E11; 12; H-1; and A-1 through A-2, June through November 1989
<u>(MLG-1)</u>	Gilchrist (Gulf)	Coal Suppliers June through November, 1989
<u>(MLG-2)</u>	Gilchrist (Gulf)	Actual vs. Projected Fuel Costs
* <u>(GDF-1)</u>	Fontaine (Gulf)	GPIF Results Schedules
* <u>(GDF-2)</u>	Fontaine (Gulf)	GPIF Targets and Ranges
<u>(EBP-1)</u>	Parsons (Gulf)	Transportation Savings '89; Recent Bid Summary
* <u>(JEM-1)</u>	Mulder (TECO)	Levelized fuel cost recovery final true-up, April 1989 - September 1989
* <u>(JEM-2)</u>	Mulder (TECO)	Fuel adjustment projection April 1990 -September 1990
* <u>(GAK-1)</u>	Keselowsky (TECO)	Levelized fuel cost Generating Performance Incentive Factor Results, April 1989 - September 1989



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<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
* _____ (GAK-2)	Keselowsky (TECO)	GPIF Targets and Ranges for April 1990 - September 1990
* _____ (GAK-3)	Keselowsky (TECO)	"Estimated Unit Performance Data, April 1990 - September 1990 (Revised 1/26/90)."
* _____	Keselowsky (TECO)	TECO GPIF Targets, April 1, 1990 - Sept. 30, 1990 identified as Attachment A (Revised January 26, 1990) to Mr. Keselowsky's Prepared Direct Testimony
* _____ (RFT/ADR-1)	Tomczak Remmers (TECO)	Schedules Supporting Oil Backout Cost Recovery Factor, April 1990 - September 1990
* _____ (RFT/ADR-2)	Tomczak Remmers (TECO)	Schedules Supporting Oil Backout Cost Recovery Factor, April 1990 - September 1990
* _____ (RFT/ADR-3)	Tomczak Remmers (TECO)	Gannon Conversion Project Comparison of Projected Payoff with Original Estimate as of November 1989
_____ (AP-1)	Payne (OPC)	Preliminary Railcar Analysis 12/29/89
_____ (AP-2)	Payne (OPC)	Accounting Review Report 2/18/88
_____ (AP-3)	Payne (OPC)	Chronology of Events
_____ (AP-4)	Payne (OPC)	Request for Proposal

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<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u>(AP-5)</u>	Payne (OPC)	Events Related to GATX Proposal
<u>(AP-6)</u>	Payne (OPC)	SEC Form U-1
<u>(AP-7)</u>	Payne (OPC)	Amendment 1 to SEC Form U-1
<u>(AP-8)</u>	Payne (OPC)	Letters Regarding Subleasing
<u>(AP-9)</u>	Payne (OPC)	Sublease Agreement
<u>(AP-10)</u>	Payne (OPC)	Plant Daniel Coal Burns
<u>(AP-11)</u>	Payne (OPC)	Accounting Entries for Steel Railcars
<u>(AP-12)</u>	Payne (OPC)	Amortization for Loss on Steel Railcars
<u>(AP-13)</u>	Payne (OPC)	Monthly Lease Cost - Aluminum Railcars
<u>(AP-14)</u>	Payne (OPC)	Lease, Sales and Assignment Agreements
<u>(AP-15)</u>	Payne (OPC)	March 30, 1988 letter to Trinity Industries awarding bid for manufac- ture of aluminum railcars
<u>(AP-16)</u>	Payne (OPC)	1988 Five-year forecast of coal burn and deliveries for Plant Daniel
<u>(AP-17)</u>	Payne (OPC)	1989 Actual with current five-year forecast of coal burn and deliveries for Plant Daniel

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PARTIES' STATEMENTS OF BASIC POSITIONS

Pursuant to the Order on Prehearing Procedure issued in this docket, it was not necessary for parties to provide a statement of basic position on generic, recurring issues. Parties who elected not to provide a statement of basic position are indicated by "N/A".

Florida Power Corporation (FPC):

Florida Power Corporation's true-up amounts and cost recovery factors should be approved as filed.

Florida Power & Light Company (FPL):

Florida Power & Light Company requests this Commission to approve 2.278 cents per kwh as its levelized fuel recovery charge for non-time differentiated rates and 2.475 cents per kwh and 2.181 cents per kwh as its levelized fuel cost recovery charges for the on-peak and off-peak periods respectively as its time differentiated rates, and to approve a charge of .482 cents per kwh as its oil backout cost recovery factor, all charges being for the April 1990 through September 1990 billing period effective starting with meter readings scheduled to be read on or after April 1, 1990 through September 30, 1990, and to continue these charges in effect until modified by subsequent order of this Commission. FPL also requests this Commission to approve the proposed generation Performance Incentive Factor (GPIF) targets of 71.8% for weighted system equivalent availability and 9988 BTU/kwh for weighted system average net operating heat rate for the period April 1, 1990 through September 30, 1990.

FPL is currently evaluating the need to file supplemental testimony to include the impact of actual costs for the month of December 1989 on the proposed fuel cost recovery factor for the period April 1990 through September 1990.

Florida Public Utilities Company (FPUC):

N/A

Gulf Power Company (Gulf):

It is the basic position of Gulf Power Company that the

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proposed Fuel factors present the best estimate of Gulf's Fuel expense for the period April, 1990 through September, 1990, including the true-up calculations, GPIF and other adjustments allowed by the Commission.

Tampa Electric Company (TECO):

The Commission should approve Tampa Electric's calculation of its fuel adjustment, GPIF, and oil backout cost recovery true-up calculations and projections, including the proposed fuel adjustment factor of 2.493 cents per KWH before application of factors which adjust for variation in line losses; a GPIF penalty of \$652,134; and an oil backout cost recovery factor of .121 cents per KWH.

Florida Industrial Power Users Group (FIPUG):

FIPUG takes no preliminary positions on the issues in this docket. However, FIPUG reserves the right to take a position supporting and/or in opposition to the issues raised by other parties prior to or during the prehearing conference.

The Office of Public Counsel (OPC):

FPC should be ordered to refund certain amounts charged to its customers for replacement fuel costs attributed to outages at the Crystal River #3 nuclear unit during the period November 1988 through 1989. Refunds should be ordered to the extent FPC is unable, by a preponderance of evidence, to establish that its replacement fuel costs were prudent in amount and did not result from imprudent management of Crystal River 3.

Gulf Power should be ordered to dispatch its generating units based on the incremental price of fuel as directed by Order No. 19548. Additionally, Gulf's participation with Mississippi Power in the acquisition of rail cars for Plant Daniel caused unnecessary costs to be incurred which should not be borne by Gulf's ratepayers.

FPL should only be allowed a return on equity of 12.8% for its investment in the St. Johns rail cars. Anything above would be excessive.

TECO should be ordered to stop reducing reported fuel revenues by credits given interruptibles pursuant to a

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supplemental service rider tariff. TECO has never been authorized to make such an adjustment. Refunds for prior periods should therefore be ordered.

FPL should be allowed to earn 12.8% on its oil backout project.

Staff:

None at this time.

STATEMENT OF ISSUES AND POSITIONS

Stipulated issues are indicated with an asterisk (\*).

Generic Fuel Adjustment Issues

1. ISSUE: What are the appropriate final fuel adjustment true-up amounts for the period April, 1989 through September, 1989?

Staff: (Items not in dispute are indicated with an asterisk.)

FPC: Agree with utility, pending resolution of Crystal River issues.  
\*FPL: Agree with utility.  
\*FPUC: (Marianna) Agree with utility.  
 (Fernandina Beach) Agree with utility.  
GULF: Agree with utility, pending resolution of coal car issues.  
TECO: Agree with utility pending resolution of issue on credits given interruptibles pursuant to supplemental service rider tariff in Docket No. 881499-EI.

FPC: \$2,343,353 underrecovery. (Wieland)

FPL: Overrecovery \$14,118,716. (Babka)

FPUC: Overrecovery \$46,508 (Marianna). (Bachman)  
 Overrecovery \$142,194 (Fernandina). (Bachman)



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GULF: Underrecovery \$3,394,764. (Ranney)

TECO: Underrecovery \$870,870. (Mulder)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC:

FPC: An adjustment should be made to disallow replacement fuel cost for a total of 165 days of outage at Crystal River Unit 3. Of these 65 days of outage, 23 days are the result of management imprudence and 142 days have not been justified by the utility.

FPL: \$(14,118,716) overrecovery.

FPUC: (Marianna) \$(46,508) overrecovery.

(Fernandina Beach) \$(142,194) overrecovery.

GULF: The final true-up should be adjusted to remove the lease expense and related taxes and O&M expense for the 195 excess aluminum railcars for the period Jan. 1, 1989 through Sept. 30, 1989. (This adjustment should be net of any rental income credited for sublease of any of those 195 railcars.)

An additional adjustment should be made to refund to the ratepayers \$2,109,452, which is the cost of imprudently financing a loss on the sale of the steel railcars through the 22-year lease of the new aluminum railcars.

TECO: The appropriate adjustments should be made to refund the credits claimed to date as reductions to fuel revenues for the supplemental service rider.

2. ISSUE: What are the estimated fuel adjustment true-up amounts for the period October, 1989 through March, 1990?

Staff: (Items not in dispute are indicated with an asterisk.)

FPC: Agree with utility, pending resolution of Crystal River issues.

\*FPL: Agree with utility.

\*FPUC: (Marianna) Agree with utility.

(Fernandina Beach) Agree with utility.

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GULF: Agree with utility, pending resolution of coal car issues.

TECO: Agree with utility pending resolution of issue on credits given interruptibles pursuant to supplemental service rider tariff in Docket No. 881499-EI.

FPC: \$9,974,256 overrecovery. (Wieland)

FPL: Underrecovery \$55,102,275. (Babka)

FPUC: Overrecovery \$1,889 (Marianna). (Bachman)  
Underrecovery \$20,948 (Fernandina). (Bachman)

GULF: Underrecovery \$4,900,029. (Ranney)

TECO: Overrecovery \$3,693,745, including interest. (Mulder)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC:

FPC: An adjustment should be made to disallow replacement fuel cost for a total of 165 days of outage at Crystal River Unit 3. Of these 65 days of outage, 23 days are the result of management imprudence and 142 days have not been justified by the utility.

FPL: Agree with utility.

FPUC: (Marianna) \$(1,889) overrecovery.  
(Fernandina Beach) \$20,948 underrecovery.

GULF: The true-up should be adjusted to remove lease expense (including credits for subleasing income) for the 195 excess railcars. No further costs related to the excess railcars should be recovered from the ratepayers.

TECO: The appropriate adjustments should be made to refund the credits claimed to date as reductions to fuel revenues for the supplemental service rider.

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3. ISSUE: What are the total fuel adjustment true-up amounts to be collected during the period April, 1990 through September, 1990?

Staff: (Items not in dispute are indicated with an asterisk.)

FPC: Agree with utility, pending resolution of Crystal River issues.  
\*FPL: Agree with utility.  
\*FPUC: (Marianna) Agree with utility.  
(Fernandina Beach) Agree with utility.  
GULF: Agree with utility, pending resolution of coal car issues.  
TECO: Agree with utility pending resolution of issue on credits given interruptibles pursuant to supplemental service rider tariff in Docket No. 881499-EI.

FPC: \$7,630,903 overrecovery. An additional true-up credit of \$1,775,837 is included in FPC's non-TOU fuel cost factors, and an offsetting true-up charge in the same amount is included in FPC's TOU fuel cost factors. (Wieland)

FPL: Underrecovery \$40,983,559. (Babka)

FPUC: Overrecovery \$48,397 (Marianna). (Bachman)  
Overrecovery \$121,246 (Fernandina). (Bachman)

GULF: Underrecovery \$8,294,793. (Ranney)

TECO: Overrecovery \$2,822,875. (Mulder)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC:

FPC: An adjustment should be made to disallow replacement fuel cost for a total of 165 days of outage at Crystal River Unit 3. Of these 65 days of outage, 23 days are the result of management imprudence and 142 days have not been justified by the utility.

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FPL: Agree with utility.  
FPUC: (Marianna) \$(48,397) overrecovery.  
 (Fernandina Beach) \$(121,246) overrecovery.  
GULF: The true-up should be adjusted to remove lease expense (including credits for subleasing income) for the 195 excess railcars. No further costs related to the excess railcars should be recovered from the ratepayers.  
TECO: The appropriate adjustments should be made to refund the credits claimed to date as reductions to fuel revenues for the supplemental service rider.

4. ISSUE: What are the appropriate levelized fuel cost recovery factors for the period April, 1990, through September, 1990?

Staff: (Items not in dispute are indicated with an asterisk.)

FPC: Agree with utility, pending resolution of Crystal River issues.  
 \*FPL: Agree with utility.  
 \*FPUC: (Marianna) Agree with utility.  
 (Fernandina Beach) Agree with utility.  
GULF: Agree with utility, pending resolution of coal car issues.  
TECO: Agree with utility pending resolution of issue on credits given interruptibles pursuant to supplemental service rider tariff in Docket No. 881499-EI.

FPC: See Attachment A. (Wieland)

FPL: 2.278 ¢/kwh is the levelized recovery charge for non-time differentiated rates and 2.475 ¢/kwh and 2.181 ¢/kwh are the levelized fuel recovery charges for the on-peak and off-peak periods, respectively, for the differentiated rates. (Dubin)

FPUC: 2.947 ¢/kwh (Marianna). (Bachman)  
 5.074 ¢/kwh (Fernandina). (Bachman)

GULF: 2.417 ¢/kwh. (Ranney)

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TECO: 2.493 ¢/kwh before application of the factors which adjust for variations in line losses.

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC:

FPC: An adjustment should be made to disallow replacement fuel cost for a total of 165 days of outage at Crystal River Unit 3. Of these 65 days of outage, 23 days are the result of management imprudence and 142 days have not been justified by the utility.

FPL: Agree with company.

FPUC: (Marianna) Agree with company.

(Fernandina Beach) Agree with company.

GULF: The true-up should be adjusted to remove lease expense (including credits for subleasing income) for the 195 excess railcars. No further costs related to the excess railcars should be recovered from the ratepayers.

TECO: The appropriate adjustments should be made to refund the credits claimed to date as reductions to fuel revenues for the supplemental service rider.

- \*5. STIPULATED ISSUE: What should be the effective date of the new fuel adjustment charge, oil backout charge and conservation cost recovery charge for billing purposes?

The factor should be effective beginning with the specified fuel cycle and thereafter for the period April, 1990, through September, 1990. Billing cycles may start before April 1, 1990, and the last cycle may be read after September 30, 1990, so that each customer is billed for six months regardless of when the adjustment factor became effective.

- \*6. STIPULATED ISSUE: What are the appropriate fuel recovery loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class?

FPC: See Attachment A



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FPL: See Attachment B, Column 4.

FPUC: Marianna:

<u>Rate Schedule</u>	<u>Multiplier</u>
RS	1.0126
GS	0.9963
GSD	0.9963
OL, OL-2	1.0126
SL-1, SL-2	0.9881

Fernandina Beach:

<u>Rate Schedule</u>	<u>Multiplier</u>
All	1.0000

GULF:

<u>Group</u>	<u>Rate Schedules</u>	<u>Loss multiplier</u>
A	RS,GS, GSD,OSIII	1.01228
B	LP	0.98106
C	PX	0.96230
D	OSI, OSII	1.01228

TECO:

	<u>Multiplier</u>
Group A	1.0147
Group A1	1.0147
Group B	0.9975
Group C	0.9686
System	1.0000

7. ISSUE: What are the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses?

Staff: Agree with utilities on loss multiplier, but factor is subject to change pending resolution of specific issues. Further, because the response to this issue is a "fall out" from Issues 4 and 6, Staff proposes to eliminate this issue.

FPC: See Attachment A.

FPL: See Attachment B, Column 5. (Dubin)

FPUC: Marianna: (Bachman)

<u>Rate Schedule</u>	<u>Multiplier</u>
RS	5.035 ¢/kwh
GS	4.698 ¢/kwh
GSD	4.275 ¢/kwh

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OL, OL-2                    2.984 ¢/kwh  
 SL-1, SL-2                2.912 ¢/kwh

Fernandina Beach: (Bachman)  
Rate Schedule            Multiplier  
 RS                            5.946 ¢/kwh  
 GS                            5.786 ¢/kwh  
 GSD                          5.672 ¢/kwh  
 OL, SL                      5.321 ¢/kwh

GULF: (Ranney)

Fuel Cost Factors (Cents/kwh)

<u>Group</u>	<u>Rate Schedules</u>	<u>Standard</u>	<u>Time of Use</u>	
			<u>On-Peak</u>	<u>Off-Peak</u>
A	RS, GS, GSD, OSIII	2.447	2.625	2.366
B	LP	2.371	2.544	2.293
C	PX	2.326	2.495	2.249
D	OSI, OSII	2.389	N/A	N/A

TECO: (Mulder)

	<u>Standard</u>	<u>On-Peak</u>	<u>Off-Peak</u>
Group A	2.530	3.011	2.300
Group A1	2.407	-	-
Group B	2.487	2.960	2.261
Group C	2.415	2.874	2.196
System	2.493	2.967	2.267

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC: Agree with companies on loss multiplier, but factor is subject to specific issues identified.

Company-Specific Fuel Adjustment Issues

Florida Power Corporation

- 7a. (By order of the Prehearing Officer, this issue will not be heard during the February, 1990 hearing, and will be set for hearing at a later date.) ISSUE: Is it appropriate

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for FPC to recover replacement fuel cost for the Crystal River Unit 3 outages? (OPC - This issue was deferred from August 1989 hearing.)

Staff: No position at this time pending further discovery.

FPC: Yes. The additional fuel costs associated with the outages were prudently incurred. (McKee, Wieland)

FIPUG: Agree with Public Counsel.

OPC: No. 23 days of outage at Crystal River 3 were unreasonably incurred, and are the result of management imprudence. In addition, 142 days of outages have not been justified by FPC. A disallowance of replacement fuel cost for a total of 165 days should be made.

Florida Power & Light Company

- \*7b. STIPULATED ISSUE: Should FPL be required to use a 12.8% return on equity in calculating the return on its rail car investment, effective on January 1, 1990? (Staff)

Yes. 12.8% is the appropriate return on equity that should be used to calculate FPL's return on its net investment. The 12.8% ROE should be used beginning with the October 1989 - March 1990 true-up filings.

Gulf Power Company

- 7c. ISSUE: Should Gulf Power be required to dispatch its system on the incremental price of fuel, as defined in Order No. 19548? (Staff - This issue was deferred from August, 1989.)

Staff: Yes. Gulf should be required to dispatch its system on the incremental price of fuel, as defined in Order No. 19548. Gulf should be ordered to change its dispatch methodology no later than July 1, 1990, or to seek approval for an extension of this date.

GULF: No. At this time, Gulf and the Southern electric system are presently working within the framework of

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existing power contracts and the requirements of the Federal Energy Regulatory Commission to effect such a change in the economic dispatch methodology of the Southern electric system. Since Gulf is a member of the Southern electric system power pool, it is unrealistic to assume that Gulf could set the dispatch fuel costs for its units differently from other pool members. Regardless of the particular method used to determine fuel cost for economic dispatch, all pool members must use the same method. Practical and legal constraints exist which prevent Gulf from being able to make a unilateral change in its method of determining dispatch fuel costs, independently of the other parties to the Intercompany Interchange Contract. (Howell)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC: Gulf Power Company should be required to operate in a manner which maximizes the economic benefits for its territorial ratepayers. It appears that Gulf is still dispatching based on average fuel cost which imposes excessive costs on its customers.

- 7d. ISSUE: Was Gulf's decision to sell the Plant Daniel steel railcars in the best interest of Gulf Power's ratepayers, and at the best price obtainable? (OPC - this issue was deferred from August, 1989.)

Staff: No position at this time, pending receipt of discovery.

GULF: Yes. The sale of the Plant Daniel steel railcars was instrumental in the Company's transition to aluminum railcars which produce lower net coal transportation costs. The aluminum railcars can carry more tons, dump easier, and require less maintenance than the steel railcars formerly in service. (Parsons, Scarbrough)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

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OPC: No. Gulf Power consented to the sale by Mississippi Power Company, of the Plant Daniel steel railcars at book value, as part of the package deal in securing lease financing for 495 new aluminum railcars. Value of the railcars was less than book value. Gulf Power has imprudently financed the loss over the 22 years of the Master Lease Agreement. (Payne)

- 7e. ISSUE: Was the sale of the Plant Daniel steel railcars appropriately accounted for on the books and records of Gulf Power Company? (OPC - This issue was deferred from August, 1989.)

Staff: No position at this time, pending review of discovery.

GULF: Yes. (Scarborough)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC: The accounting of the retirement of the steel railcars was appropriate. However, Gulf imprudently allowed the financing of a loss on the steel railcars through the 22-year Master Lease Agreement. Also, it is Public Counsel's position that Gulf's decision to go along with the lease financing of aluminum railcars has caused excessive costs that should not be recovered from Gulf's ratepayers. (Payne)

- 7f. ISSUE: Was Gulf's decision to lease the aluminum railcars to transport Plant Daniel coal prudent and in the best interest of Gulf Power's ratepayers? (OPC - This issue was deferred from August, 1989.)

Staff: No position at this time, pending receipt of discovery.

GULF: Yes. See response to Issue 7d. In order to obtain the economies associated both with the higher operating efficiency of the new aluminum railcars and the availability of capacity to manufacture the new railcars,



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Gulf and Mississippi Power Company (MPCo) needed to enter the railcar market at the time they did. During that time frame, MPCo's only option for pursuing the project was to lease the railcars. Because Plant Daniel is jointly owned by Gulf and MPCo, and operated for the benefit of the co-owners by MPCo, the savings to be realized through the change in railcars could not be achieved without Gulf and MPCo acting in concert. Given the choice of going ahead and replacing the steel railcars with new leased aluminum railcars, and thereby achieving the net transportation cost savings for Gulf's decision to proceed with the railcar replacement project through the lease mechanism was prudent and in the best interest of Gulf's ratepayers. (Parsons, Scarbrough)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC: No. The least cost and most economic alternative was an outright purchase of aluminum railcars. The lease option was the second best alternative. Gulf imprudently leased an excessive number of 195 aluminum railcars which are not needed to transport coal to Plant Daniel. (Payne)

- 7g. ISSUE: Are the expenses related to the lease of the aluminum railcars appropriately accounted for, and are they appropriate for recovery through fuel adjustment? (OPC - This issue was deferred from August, 1989.)

Staff: No position at this time, pending review of discovery.

GULF: Yes. The lease related expenses are appropriate for recovery through the fuel adjustment factor because they are incurred solely for the specific purpose of fuel transportation. The entire fleet of new aluminum railcars was obtained by Gulf and MPCo for the sole purpose of serving the projected coal needs of Plant Daniel. The Company's accounting treatment of these expenses is appropriate.

Through the sublease of portions of the new aluminum railcar fleet at Gulf's cost, Georgia Power Company is

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temporarily supporting the costs associated with these railcars; costs that otherwise would have properly been the responsibility of Gulf's ratepayers. During temporary periods of surplus railcar capacity, it has been and will continue to be prudent for Gulf to pursue other means of supporting the cost of these railcars. The sublease payments received serve as a credit against the cost that would otherwise be collected from Gulf's ratepayers. The sublease provides that the railcars are recallable by Gulf and MPCo in order to serve the requirements of Plant Daniel.

The Securities and Exchange Commission has prohibited the sublease of these railcars off of the Southern electric system. The Public Utility Holding Company Act prohibits a sublease among Southern Company affiliates at any rate other than cost. Thus the sublease to Georgia Power at cost with the recall provision was prudent and in the best interest of Gulf's ratepayers. Cost savings associated with the new aluminum railcars result from the greater operating efficiency of the new aluminum railcars as compared to the continued utilization of the old steel railcars. The sublease of a portion of the new railcar fleet does not reduce the cost effectiveness, to Gulf's ratepayers, of the decision to replace the old steel railcars. (Parsons, Scarbrough)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC: No. Monthly lease expense in the amount of \$43,937, for the excess capacity of 195 railcars, should not be allowed recovery. The operating expense related to the excess railcars should not be allowed recovery. Also the cost related to financing the loss or the sale of the steel railcars (\$2,109,452) should not be recovered from Gulf's ratepayers. (Payne)

Florida Public Utilities Corporation

- \*7h. STIPULATED ISSUE: Should the purchased power demand charge costs for FPUC's Fernandina Beach Division be allocated to rate classes on a 12 CP basis and for all classes except GSLD recovered through class-specific KWH charges derived in Docket No. 881056-EI? (Staff)

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Yes. The Commission's vote in Docket No. 881056-EI required FPUC (Fernandina Beach) to (1) implement class-specific KWH charges for purchased power demand costs for all classes except GSLD to become effective April 1, 1990; (2) these demand costs would be subject to true-up; (3) that the GSLD class should continue to be billed monthly on their actual demands at the time of the system's monthly coincidental peak (CP demand); and (4) in the future, when the level of FPUC's purchased power demand charge is changed, the class-specific KWH charges for purchased power demand should be adjusted to reflect the change. The class-specific KWH charges for purchased power demand charges developed in Exhibit B of company witness Bachman in response to a \$.40 per KW increase in FPUC's purchased power demand charge should be approved.

Tampa Electric Company

- 7i. ISSUE: Has TECO been authorized to reduce its reported fuel cost recovery revenues to recognize credits given interruptible customers pursuant to its supplemental service rider tariff? (OPC)

STAFF: Yes. Order No. 20581, page 2, issued 1/10/89, which was the basis of staff administratively approving TECO's Supplemental Service (SSI) Rider tariff states that TECO's proposed fuel credit under SSI would be passed directly through the fuel adjustment clause, and order No. 22467, page 2, issued 1/24/90, which approved extension of the SSI rider, states that TECO proposed to continue adjusting fuel revenues downward reflecting the discounts earned by SSI customers. Moreover, Staff believes this issue should be addressed as part of the Commission's scheduled hearing in Docket No. 881499-EI, which was granted in Order No. 22093, issued 10/25/89.

TECO: Yes. From the very outset Tampa Electric made it clear that the company proposed that the fuel credits earned by participating Customers under the SSI would result in a downward adjustment to the fuel revenues reported in the fuel adjustment filing. See Petition dated November 17, 1988. It was clear to all parties that this was the basis upon which the SSI provision was ultimately approved. Public Counsel obviously construed the SSI rider

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to have this result because he objected to the SSI proposal on the ground that it would adversely affect firm Customers. Further, Tampa Electric adopts the position on this issue stated by the Staff.

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC: TECO has been reducing its reported fuel revenues by credits given interruptibles pursuant to the service The tariff was approved by Staff and does not contain any provisions allowing for recovery of the credits from all customers through the fuel cost recovery docket. There are no orders in the fuel docket or elsewhere that permit such treatment. TECO should be ordered to refund credits claimed thus far as reductions to fuel revenues for past periods and ordered to cease the practice for future periods.

#### Generic Generating Performance Incentive Factor Issues

- \*8. STIPULATED ISSUE: What is the appropriate GPIF reward or penalty for performance achieved during the period April, 1989 through September, 1989?

FPC: \$1,021,173 penalty.  
FPL: \$2,774,583 penalty.  
GULF: \$ 101,127 penalty.  
TECO: \$ 652,134 penalty.

- \*9. STIPULATED ISSUE: What should the GPIF targets/ranges be for the period April, 1990 through September, 1990?

The appropriate targets and ranges are shown in Attachment C hereto.

#### Company-Specific GPIF Issues

No company-specific GPIF issues were raised by the parties.

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Generic Oil Backout Issues

- \*10. STIPULATED ISSUE: What is the final oil backout true-up amount for the April, 1989 through September, 1989 period?
- FPL: Overrecovery \$17,250,724.  
TECO: Underrecovery \$232,714.
- \*11. STIPULATED ISSUE: What is the estimated oil backout true-up amount for the period October, 1989 through March, 1990?
- FPL: Overrecovery \$7,304,286.  
TECO: Overrecovery \$312,573, including interest.
- \*12. STIPULATED ISSUE: What is the total oil backout true-up amount to be collected during the period April, 1990 through September, 1990?
- FPL: Overrecovery \$24,555,010.  
TECO: Overrecovery of \$528,339, including interest.
- \*13. STIPULATED ISSUE: What is the projected oil backout cost recovery factor for the period April, 1990 through September, 1990?
- FPL: .482 ¢/kwh.  
TECO: .121 ¢/kwh.

Company-Specific Oil Backout Issues

Florida Power & Light Company

- \*13a. STIPULATED ISSUE: Should FPL be required to use a 12.8% return on equity in calculating the return on its oil backout net investment, effective on January 1, 1990? (Staff)
- Yes. 12.8% is the appropriate return on equity that should be used to calculate FPL's return on its net investment.



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- \*13b. STIPULATED ISSUE: What is the refund amount including interest for the change in ROE from 15.6% to 13.6% for the periods April 1, 1988 through September 30, 1989? (FPL)

\$3,299,564, which is included in the generic oil backout issues above.

- 13c. ISSUE: Should Florida Power & Light Company continue to amortize the unamortized balance of Investment Tax Credits, to the benefit of the customers, using the composite rate while awaiting a letter ruling from the Internal Revenue Service regarding use of an amortization rate specific to Rule 25-17.016? (FPL)

Staff: Agree with utility.

FPL: Yes. The company proposes that the computation of its Oil Backout revenue requirements continue to recognize the composite rate amortization of Oil-Backout Investment Tax Credits until the recovery period following a favorable IRS letter ruling. (Babka)

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OPC: No. FPL should return the unamortized balance immediately, over the next six month period.

#### STIPULATED ISSUES

Issues 5, 6, 7b, 7h, 8 - 13, 13a and 13b have been stipulated by the parties. Issues 1 - 4 and 7 have been stipulated as to some parties. It is ordered that all stipulated testimony and exhibits shall be entered into the record of the hearing in this proceeding as if they had been moved into evidence at the time of the hearing.

#### MOTIONS

FPL has an outstanding Motion for Reconsideration in Docket No. 890148-EI.

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On February 16, 1990, the Office of Public Counsel filed a Motion for Leave to File Surrebuttal Testimony. On that same date, the surrebuttal testimony and accompanying exhibits of Avis Payne were filed.

OTHER MATTERS

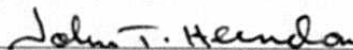
Pursuant to request, the Coalition of Local Governments is excused from active participation in this docket for purposes of the February, 1990 hearings, but shall retain Intervenor status for purposes of the August, 1990 hearings.

Pursuant to the terms of the Order on Prehearing Procedure issued in this docket, the following parties who intervened in prior hearings in this docket are hereby removed as intervenors: Occidental Chemical, Monsanto Company, American Cyanamid, Air Products and Chemicals, Florida Industrial Cogenerators Association, Metropolitan Dade County, the City of Tampa, and the Federal Executive Agencies.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that these proceedings shall be governed by this order unless modified by the Commission.

By ORDER of Commissioner John T. Herndon, Prehearing Officer, this 21st day of FEBRUARY, 1990.

  
\_\_\_\_\_  
JOHN T. HERNDON, Commissioner  
and Prehearing Officer

( S E A L )  
(6007L)MER:bmi

COMPANY: FPC

Schedule E1 (Final)

FUEL AND PURCHASED POWER COST RECOVERY CLAUSE

CALCULATION OF FINAL FUEL COST FACTORS

For the Period of: April 1990 through September 1990

Group Delivery Level	GROUP LINE LOSS MULTIPLIER	LEVELIZED 2.449	ON-PEAK 3.408	OFF-PEAK 2.135
I. Transmission Delivery	0.9793	2.398	3.337	2.091
II. Distribution Primary Delivery	0.9896	2.424	3.373	2.113
III. Distribution Secondary Delivery	1.0034	2.457	3.420	2.142

Rate Schedules OL-1 and SL-1:

Final fuel cost factor is composite of on-peak and off-peak factors with consumption 18.7% on-peak and 81.3% off-peak, and group III line losses:

$$(.187 * 3.408 + .813 * 2.135) * 1.0034 = 2.381 \text{ C/KWH}$$

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Attachment A

FLORIDA POWER & LIGHT COMPANY

FUEL RECOVERY FACTORS - BY RATE GROUP  
 (ADJUSTED FOR LINE/TRANSFORMATION LOSSES)

APRIL 1990 - SEPTEMBER 1990

(1) GROUP	(2) RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) FUEL RECOVERY FACTOR
A	RS-1, GS-1, SL-2	2.278	1.00091	2.280
A-1*	SL-1, OL-1	2.228	1.00091	2.230
B	GSD-1	2.278	1.00088	2.280
C	GSLD-1 & CS-1	2.278	1.00028	2.279
D	GSLD-2, CS-2, OS-2 & MET	2.278	0.99628	2.270
E	GSLD-3 & CS-3	2.278	0.97815	2.228
A	RST-1, GST-1	2.475	1.00091	2.477
	ON-PEAK	2.475	1.00091	2.477
	OFF-PEAK	2.181	1.00091	2.183
B	GSDT-1	2.475	1.00088	2.477
	ON-PEAK	2.475	1.00088	2.477
	OFF-PEAK	2.181	1.00088	2.183
C	GSLDT-1 & CST-1	2.475	1.00028	2.476
	ON-PEAK	2.475	1.00028	2.476
	OFF-PEAK	2.181	1.00028	2.182
D	GSLDT-2 & CST-2	2.475	0.99628	2.466
	ON-PEAK	2.475	0.99628	2.466
	OFF-PEAK	2.181	0.99628	2.173
E	GSLDT-3, CST-3, 1ST-1(T) & ISST-1(T)	2.475	0.97815	2.421
	ON-PEAK	2.475	0.97815	2.421
	OFF-PEAK	2.181	0.97815	2.134
F	1ST-1(D) & ISST-1(D)	2.475	0.99805	2.470
	ON-PEAK	2.475	0.99805	2.470
	OFF-PEAK	2.181	0.99805	2.177

\* WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK

GPIF TARGETS  
 4/90 - 9/90

FPL	EQUIVALENT AVAILABILITY			Staff	HEAT RATE	
	Company	Staff			Company	Staff
	EAJ	POF	EUOF			
Cape Canaveral 1	79.8	16.9	3.3	AGREE	9563	AGREE
Cape Canaveral 2	91.0	4.4	4.6	AGREE	9490	AGREE
Fort Myers 2	79.0	16.9	4.1	AGREE	9220	AGREE
Manatee 2	91.4	0.0	8.6	AGREE	9779	AGREE
Martin 1	93.8	0.0	6.2	AGREE	9378	AGREE
Martin 2	96.0	0.0	4.0	AGREE	9606	AGREE
Port Everglades 1	92.1	0.0	7.9	AGREE	9821	AGREE
Port Everglades 2	92.0	0.0	8.0	AGREE	9833	AGREE
Port Everglades 3	91.7	0.0	8.3	AGREE	9787	AGREE
Port Everglades 4	80.2	10.9	8.9	AGREE	9697	AGREE
Turkey Point 1	74.0	20.2	5.8	AGREE	9194	AGREE
Turkey Point 2	92.6	0.0	7.4	AGREE	9538	AGREE
Turkey Point 3	43.5	32.2	24.3	AGREE	11110	AGREE
Turkey Point 4	77.4	0.0	22.6	AGREE	11104	AGREE
St. Lucie 1	85.8	11.5	2.7	AGREE	10760	AGREE
St. Lucie 2	79.5	17.5	3.0	AGREE	10835	AGREE
FPC	EAJ	POF	EUOF			
Anclote 1	79.28	1.09	19.62	AGREE	9965	AGREE
Anclote 2	84.78	7.65	7.57	AGREE	10101	AGREE
Crystal River 1	87.98	0.00	12.02	AGREE	10120	AGREE
Crystal River 2	71.48	7.10	21.41	AGREE	10160	AGREE
Crystal River 3	49.73	30.60	19.67	AGREE	10592	AGREE
Crystal River 4	80.28	15.30	4.42	AGREE	9393	AGREE
Crystal River 5	96.15	0.00	3.85	AGREE	9401	AGREE
TECO	EAJ	POF	EUOF			
Gannon 5	77.7	7.7	14.6	AGREE	10208	AGREE
Gannon 6	41.8	50.3	7.9	AGREE	10144	AGREE
Big Bend 1	82.8	1.6	15.6	AGREE	9945	AGREE
Big Bend 2	84.3	0.0	15.7	AGREE	10029	AGREE
Big Bend 3	74.6	10.4	15.1	AGREE	9772	AGREE
Big Bend 4	93.0	0.0	7.0	AGREE	10029	AGREE
GULF	EAJ	POF	EUOF			
Crist 6	64.2	27.3	8.5	AGREE	10502	AGREE
Crist 7	86.7	0.0	13.3	AGREE	10483	AGREE
Smith 1	83.6	12.6	3.8	AGREE	10269	AGREE
Smith 2	89.8	0.0	10.2	AGREE	10287	AGREE
Daniel 1	93.5	3.3	3.3	AGREE	10665	AGREE
Daniel 2	96.8	0.0	3.2	AGREE	10853	AGREE



Original Sheet No. 6.103.1

GPIF TARGET AND RANGE SUMMARY

Company: Florida Power Corporation  
 Period of: Apr. 1990 - Sep. 1990

Plant/Unit	Weighting Factor (%)	EAF Target (%)	EAF RANGE		Max. Fuel Savings (\$000)	Max. Fuel Loss (\$000)	
			Max. (%)	Min. (%)			
ANC. 1	9.81	79.28	92.77	72.95	3100.1	1572.7	
ANC. 2	3.09	84.78	88.98	82.71	977.1	356.0	
C.R. 1	6.73	87.98	93.99	85.07	2127.6	1019.1	
C.R. 2	9.88	71.48	79.74	67.50	3122.8	1550.3	
C.R. 3	44.19	49.73	63.78	43.78	13969.5	5919.7	
C.R. 4	6.90	80.28	82.78	79.05	2179.9	1033.7	
C.R. 5	3.31	96.15	97.68	95.38	1047.0	534.4	
-----						-----	-----
GPIF System	83.91				26524.0	11985.9	

Plant/Unit	Weighting Factor (%)	ANOHR Target		ANOHR RANGE		Max. Fuel Savings (\$000)	Max. Fuel Loss (\$000)
		(BTU/KWH)	NOF	Min. (%)	Max. (%)		
ANC. 1	1.83	9965	58.0	9778	10152	578.1	578.1
ANC. 2	2.39	10101	53.1	9675	10526	755.5	755.5
C.R. 1	1.66	10120	89.4	9891	10349	525.2	525.2
C.R. 2	1.66	10160	84.1	9926	10394	524.8	524.8
C.R. 3	4.06	10592	93.2	10318	10866	1282.6	1282.6
C.R. 4	1.92	9393	95.8	9243	9543	608.0	608.0
C.R. 5	2.57	9401	98.7	9237	9565	811.4	811.4
-----						-----	-----
GPIF System	16.09					5085.6	5085.6

Issued by: FPC

Filed:  
 Suspended:  
 Effective:  
 Docket No.:  
 Order No.:

FLORIDA POWER & LIGHT COMPANY

GPIF TARGETS FOR EQUIVALENT AVAILABILITY  
AND AVERAGE NET OPERATING HEAT RATE

APRIL 1990 THROUGH SEPTEMBER 1990

<u>PLANT/UNIT</u>	<u>EQUIVALENT AVAILABILITY %</u>	<u>AVERAGE NET OPERATING HEAT RATE (BTU/KWH)</u>
Cape Canaveral 1	79.8	9563
Cape Canaveral 2	91.0	9490
Fort Myers 2	79.0	9220
Manatee 2	91.4	9779
Martin 1	93.8	9378
Martin 2	96.0	9606
Port Everglades 1	92.1	9821
Port Everglades 2	92.0	9833
Port Everglades 3	91.7	9787
Port Everglades 4	80.2	9697
Turkey Point 1	74.0	9194
Turkey Point 2	92.6	9538
Turkey Point 3	43.5	11110
Turkey Point 4	77.4	11104
St. Lucie 1	85.8	10760
St. Lucie 2	79.5	10835
 	<hr/>	<hr/>
WEIGHTED SYSTEM	71.8	9988

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**TAMPA ELECTRIC COMPANY  
 GPIF TARGETS  
 APRIL 1, 1990 - SEPTEMBER 30, 1990**

<u>Unit</u>	<u>Availability</u>			<u>Heat Rate</u>
	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Gannon 5	77.7	7.7	14.6 <u>1/</u>	10208 <u>1/</u>
Gannon 6	41.8	50.3	7.9 <u>2/</u>	10144 <u>2/</u>
Big Bend 1	82.8	1.6	15.6 <u>3/</u>	9945 <u>3/</u>
Big Bend 2	84.3	0.0	15.7 <u>4/</u>	10029 <u>4/</u>
Big Bend 3	74.6	10.4	15.1 <u>5/</u>	9772 <u>5/</u>
Big Bend 4	93.0	0.0	7.0 <u>6/</u>	10029 <u>6/</u>

1/ Original Sheet 6.401.90E, Pg. 12

2/ Original Sheet 6.401.90E, Pg. 13

3/ Original Sheet 6.401.90E, Pg. 14

4/ Original Sheet 6.401.90E, Pg. 15

5/ Original Sheet 6.401.90E, Pg. 16

6/ Original Sheet 6.401.90E, Pg. 17

TOTAL FUEL COST FOR THE PERIOD: April 1990-September 1990

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COMPANY	PROPOSED April 1990-September 1990 TOTAL FUEL COST CENTS PER KWH			PRESENT October 1989-March 1990 TOTAL FUEL COST CENTS PER KWH			DIFFERENCE TOTAL FUEL COST CENTS PER KWH			LINE LOSS MULTIPLIER
	Levelized	On/Peak	Off/Peak	Levelized	On/Peak	Off/Peak	Levelized	On/Peak	Off/Peak	
Fla. Power & Light	2.278	2.475	2.181	1.970	2.160	1.893	0.308	0.315	0.288	1.00091
Fla. Power Corp.	2.449	3.408	2.135	2.458	2.781	2.337	-0.009	0.627	-0.202	1.00340
Tampa Electric	2.493	2.967	2.267	2.304	2.527	2.216	0.189	0.440	0.051	1.01470
Gulf Power	2.417	2.593	2.337	2.121	2.211	2.087	0.296	0.382	0.250	1.01228
Fla. Public										
Mariana (1)	4.972	0.000	0.000	4.723	0.000	0.000	0.249	0.000	0.000	1.01260
Fernandina (1)(5)	5.946	0.000	0.000	6.331	0.000	0.000	-0.385	0.000	0.000	1.00000

COST FOR 1000 KWH RESIDENTIAL SERVICE

PRESENT October 1989-March 1990

	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power (3) Winter Summer	Fla. Public (7) Mariana Fernandina
Base	48.02	44.33	52.12	37.73 43.41 (9)	17.22 14.28
Fuel (2)	19.71	24.66	23.38	21.47 21.47	47.83 63.31
Oil Backout	6.60	0.00	1.44	0.00 0.00	0.00 0.00
Energy Conservation	0.51	2.13	1.18	0.16 0.16	0.20 0.03
Total	74.84	71.12	78.12	59.36 65.04	65.25 77.62

PROPOSED FOR April 1990-September 1990

	Fla. Power & Light (8)	Fla. Power Corp.	Tampa Electric	Gulf Power (3) Winter Summer	Fla. Public (7) Mariana Fernandina
Base	47.38	44.33	52.12	37.73 43.41 (9)	17.22 19.20
Fuel (2)	22.80	24.57	25.30	24.47 24.47	50.35 59.46
Oil Backout	4.82	0.00	1.21	0.00 0.00	0.00 0.00
Energy Conservation	0.44	1.92	1.11	0.07 0.07	0.03 0.08
Total	75.44	70.82	79.74	62.27 67.95	67.60 78.74

DIFFERENCE

	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power (3) Winter Summer	Fla. Public Mariana Fernandina
Base	-0.64	0.00	0.00	0.00 5.68 (4)	0.00 4.92
Fuel (2)	3.09	-0.09	1.92	3.00 3.00	2.52 -3.85
Oil Backout	-1.78	0.00	-0.23	0.00 0.00	0.00 0.00
Energy Conservation	-0.07	-0.21	-0.07	-0.09 -0.09	-0.17 0.05
Total	0.60	-0.30	1.62	2.91 2.91	2.35 1.12

(1) Fuel costs include purchased power demand costs of 2.025 for Mariana and 0.872 cents/KWH for Fernandina allocated to the residential class.  
 (2) Adjusted for line loss(3) Winter = October - May Summer = June - September (4) Difference between winter and summer is increase in base rate.  
 (5) All classes except G&D. (7) Reflects Mariana's rates of \$17.22 per 6/89 final order, and per order 10/89 Fernandina's rates of \$19.20.  
 (8) Reflects reduction in FPL base rates due to Tax Savings Docket 890319-EI (9) Gulf's base rates exclude interim rate changes

FUEL ADJUSTMENT CENTS PER KWH BASED ON LINE LOSSES BY RATE GROUP

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COMPANY	GROUP	RATE SCHEDULES	WITHOUT LINE LOSS MULTIPLIER			LINE LOSS MULTIPLIER	WITH LINE LOSS MULTIPLIER			
			Levelized*	On/Peak	Off/Peak		Levelized	On/Peak	Off/Peak	
FP&L	A	RS-1,GS-1,SL-2	2.278	2.475	2.181	1.00091	2.280	2.477	2.183	
	A-1	SL-1,OL-1	2.228	0.000	0.000	1.00091	2.230	0.000	0.000	
	B	GSD-1	2.278	2.475	2.181	1.00088	2.280	2.477	2.183	
	C	GSLD-1,CS-1	2.278	2.475	2.181	1.00028	2.279	2.476	2.182	
	D	GSLD-2,CS-2,OS-2,MET	2.278	2.475	2.181	0.99628	2.270	2.466	2.173	
	E	GSLD-3,CS-3	2.278	2.475	2.181	0.97815	2.228	2.421	2.134	
	F	IST-1,ISST-1		2.475	2.181	0.99805		2.470	2.177	
FPC	A	Distribution Secondary Delivery	2.449	3.408	2.135	1.00340	2.457	3.420	2.142	
	A-1	OL-1,SL-1	2.373	0.000	0.000	1.00340	2.381	0.000	0.000	
	B	Distribution Primary Delivery	2.449	3.408	2.135	0.98960	2.424	3.373	2.113	
	C	Transmission Delivery	2.449	3.408	2.135	0.97930	2.398	3.337	2.091	
TECO	A	RS,GS,TS	2.493	2.967	2.267	1.01470	2.530	3.011	2.300	
	A-1	SL-1,2,3,OL-1,2	2.372	0.000	0.000	1.01470	2.407	0.000	0.000	
	B	GSD,GSLD	2.493	2.967	2.267	0.99750	2.487	2.960	2.261	
	C	IS-1,IS-3	2.493	2.967	2.267	0.96860	2.415	2.874	2.196	
GULF	A	RS,GS,GSD,OS-3	2.417	2.593	2.337	1.01228	2.447	2.625	2.366	
	B	LP	2.417	2.593	2.337	0.98106	2.371	2.544	2.293	
	C	PX	2.417	2.593	2.337	0.96230	2.326	2.495	2.249	
	D	OS-1,OS-2	2.360	0.000	0.000	1.01228	2.389	0.000	0.000	
FPUC	Fernandina	A	RS	5.946	0.000	0.000	1.00000	5.946	0.000	0.000
		B	GS	5.786	0.000	0.000	1.00000	5.786	0.000	0.000
		C	GSD	5.672	0.000	0.000	1.00000	5.672	0.000	0.000
		D	OL, OL-2, SL-2, SL-3, CSL	5.321	0.000	0.000	1.00000	5.321	0.000	0.000
		E	GSLD				(1)	4.839		
					(2)	\$3.77/CP KW				
Marianna	A	RST, RS	4.972	0.000	0.000	1.01260	5.035	0.000	0.000	
	B	GS	4.715	0.000	0.000	0.99630	4.698	0.000	0.000	
	C	GSD	4.291	0.000	0.000	0.99630	4.275	0.000	0.000	
	D	OL, OL-2	2.947	0.000	0.000	1.01260	2.984	0.000	0.000	
	E	SL-1, SL-2, SL-3	2.947	0.000	0.000	0.98810	2.912	0.000	0.000	

(1) Group line losses reflected on schedule E1

(2) Informational Purposes Only-GSLD class is billed actual fuel cost



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FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION  
ESTIMATED FOR THE PERIOD OF : April 1990 - September 1990

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CLASSIFICATION	-----FLORIDA POWER & LIGHT COMPANY-----	
	Classification Associated \$	Classification Associated KWH Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	498,861,835	26,957,301,000 1.85056
2.Spent NUC Fuel Disposal Cost (E2)	9,464,997	9,462,927,000 (a) 0.10002
3.Coal Car Investment	266,423	0 0.00000
4.Adjustments to Fuel Cost	0	0 0.00000
5.TOTAL COST OF GENERATED POWER	508,593,255	26,957,301,000 1.88666
6.Fuel Cost of Purchased Power - Firm (E8)	197,634,200	9,930,400,000 1.99019
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	20,696,600	1,150,500,000 1.79892
8.Energy Cost of Economy Purchases (Non-Broker) (E9)	10,488,500	434,700,000 2.41281
9.Energy Cost of Sch.E Purchases (E9)	0	0 0.00000
10.Capacity Cost of Sch.E Economy Purchases (E2)	0	0 0.00000
11.Payments to Qualifying Facilities (E8A)	18,881,300	732,600,000 2.57730
12.TOTAL COST OF PURCHASED POWER	247,700,600	12,248,200,000 2.02234
13.TOTAL AVAILABLE KWH		39,205,501,000
14.Fuel Cost of Economy Sales (E7)	(11,372,700)	(363,100,000) 3.13211
15.Gain on Economy Sales - 80% (E7A)	(3,093,440)	(363,100,000) (a) 0.85195
16.Fuel Cost of Unit Power Sales (SL2 Partpts) (E7)	(1,552,000)	(230,400,000) 0.67361
17.Fuel Cost of Other Power Sales (E7)	(6,687,600)	(233,800,000) 2.86039
18.TOTAL FUEL COST AND GAINS OF POWER SALES	(22,705,740)	(827,300,000) 2.74456
19.Net Inadvertant Interchange (E4)	0	0 0.00000
20.TOTAL FUEL AND NET POWER TRANSACTIONS	733,588,115	38,378,201,000 1.91147
21.Net Unbilled (E4)	(17,924,110) (a)	(937,713,000) -0.05200
22.Company Use (E4)	2,200,772 (a)	115,135,000 0.00639
23.T & D Losses (E4)	54,652,315 (a)	2,859,176,000 0.15857
24.Adjusted System KWH Sales	733,588,115	34,466,177,000 2.12843
25.Wholesale KWH Sales	7,517,518	353,196,000 2.12843
26.Jurisdictional KWH Sales	726,070,597	34,112,981,000 2.12843
27.Jurisdictional KWH Sales Adjusted for Line Loss - 1.00025	726,252,115	34,112,981,000 2.12896
28.True-up * (derived in Attachment C)	40,983,659	34,112,981,000 0.12014
29.Total Jurisdictional Fuel Cost	767,235,774	34,112,981,000 2.24910
30.Revenue Tax Factor		1.01652
31.Fuel Cost Adjusted for Taxes		2.28626
32.GPIF*	(2,774,583)	34,112,981,000 -0.00813
33.Total fuel cost including GPIF	764,461,191	34,112,981,000 2.27812
34.Total Fuel Cost Factor Rounded to the Nearest .001 cents per KWH (used in attachment B, pages 1 and 2 of 9)		2.278

\*Based on Jurisdictional Sales (a) included for informational purposes only.  
Effective dates for billing purposes: 04/1/90-9/30/90

FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION  
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DIVISION OF ELECTRIC AND GAS  
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CLASSIFICATION	-----FLORIDA POWER CORPORATION-----		
	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	303,228,503	13,888,839,000	2.18325
2.Spent NUC Fuel Disposal Cost (E3A)	1,603,276	1,603,276,000 (a)	0.10000
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	0	0	0.00000
5.TOTAL COST OF GENERATED POWER	304,831,779	13,888,839,000	2.19480
6.Fuel Cost of Purchased Power - Firm (E8)	190,470	2,721,000	7.00000
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	13,007,460	413,855,000	3.14300
8.Energy Cost of Economy Purchases (Non-Broker) (E9)	462,720	23,580,000	1.96234
9.Energy Cost of Sch.E Purchases (E9)	20,438,200	948,985,000	2.15369
10.Capacity Cost of Sch.E Economy Purchases (E9B)	10,974,000	948,985,000 (a)	1.15639
11.Payments to Qualifying Facilities (E8A)	12,857,444	349,000,000	3.68408
12.TOTAL COST OF PURCHASED POWER	57,930,294	1,738,141,000	3.33289
13.TOTAL AVAILABLE KWH		15,626,980,000	
14.Fuel Cost of Economy Sales (E7)	(6,101,000)	(300,000,000)	2.03367
14a.Gain on Economy Sales -80% (E7A)	(597,600)	(300,000,000)(a)	0.19920
15.Fuel Cost of Other Power Sales (E7)	(436,020)	(23,400,000)	1.86333
15a.Gain on Other Power Sales (E8)	(86,580)	(23,400,000)(a)	0.37000
16.Fuel Cost of Seminole Backup Sales (E7)	(508,990)	(14,700,000)	3.46252
16.(a)Gain on Seminole Back-up Sales (E7B)	(2,091,516)	(14,700,000)(a)	14.22800
17.Fuel Cost of Seminole Supplemental Sales (E7)	(4,315,600)	(68,769,000)	6.27550
18.TOTAL FUEL COST AND GAINS OF POWER SALES	(14,137,306)	(406,869,000)	3.47466
19.Net Inadvertant Interchange (E4)	0	0	
20.TOTAL FUEL AND NET POWER TRANSACTIONS	348,624,767	15,220,111,000	2.29055
21.Net Unbilled (E4)	7,752,833 (a)	(338,463,000)	0.05651
22.Company Use (E4)	2,095,899 (a)	(91,500,000)	0.01528
23.T & D Losses (E4)	24,520,713 (a)	(1,070,493,000)	0.17873
24.Adjusted System KWH Sales	348,624,767	13,719,655,000	2.54106
25.Wholesale KWH Sales(Excluding Seminole Supplemental)	(17,448,884)	(689,383,000)	2.53109
26.Jurisdictional KWH Sales	331,175,883	13,030,272,000	2.54159
27.Jurisdictional KWH Sales Adjusted for Line Loss - 1.0015	331,672,647	13,030,272,000	2.54540
28.Prior Period True-Up *	(7,630,903)	13,030,272,000	-0.05856
28a.Cost Plus Phase II Refund *	(6,888,913)	13,030,272,000	-0.05287
28b.TOU True-Up *	(1,775,837)	10,642,374,000	-0.01669
29.Total Jurisdictional Fuel Cost	315,376,994	13,030,272,000	2.42034
30.Revenue Tax Factor			1.01652
31.Fuel Cost Adjusted for Taxes			2.46032
32.GPIF*	(1,021,173)	13,030,272,000	-0.00784
33.Total fuel cost including GPIF	314,355,821	13,030,272,000	2.45249
34.Total Fuel Cost Factor Rounded to the Nearest .001 cents per KWH (used in Attachment B, pages 1 and 2 of 9)			2.449

\*Based on Jurisdictional Sales (a) included for informational purposes only.  
 Effective dates for billing purposes: 03/28/90-9/25/90

FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION  
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CLASSIFICATION	-----TAMPA ELECTRIC COMPANY-----		
	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	179,025,603	8,448,800,000	2.11895
2.Spent NUC Fuel Disposal Cost (E3A)	0	0	0.00000
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	0	0	0.00000
5.TOTAL COST OF GENERATED POWER	179,025,603	8,448,800,000	2.11895
6.Fuel Cost of Purchased Power - Firm (E8)	3,189,600	30,152,000	10.57840
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	2,491,100	42,395,000	5.87593
8.Energy Cost of Economy Purchases (Non-Broker) (E9)	0	0	0.00000
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Capacity Cost of Sch.E Economy Purchases	0	0 (a)	0.00000
11.Payments to Qualifying Facilities (E8A)	6,248,100	204,666,000	3.05283
12.TOTAL COST OF PURCHASED POWER	11,928,800	277,213,000	4.30312
13.TOTAL AVAILABLE KWH		8,726,013,000	
14.Fuel Cost of Economy Sales (E7)	15,297,700	887,341,000	1.72399
15.Gain on Economy Sales - 80% (E7A)	3,531,760	887,341,000 (a)	0.39802
16.Fuel Cost of Unit Power Sales (E7)	0	0	0.00000
17.Fuel Cost of Other Power Sales (E7)	5,337,100	312,434,000	1.70823
18.TOTAL FUEL COST AND GAINS OF POWER SALES	24,166,560	1,199,775,000	2.01426
19a.Net Inadvertant Interchange (E4)	0		
19b.Interchange and Wheeling Losses		21,992,000	
20.TOTAL FUEL AND NET POWER TRANSACTIONS	166,787,843	7,504,246,000	2.22258
21.Net Unbilled (E4)	0 (a)	0	0.00000
22.Company Use (E4)	440,071 (a)	19,800,000	0.00633
23.T & D Losses (E4)	11,878,157 (a)	534,431,000	0.17091
24.Adjusted System KWH Sales	166,787,843	6,950,015,000	2.39982
25.Wholesale KWH Sales	0	0	0.00000
26.Jurisdictional KWH Sales	166,787,843	6,950,015,000	2.39982
27.Jurisdictional KWH Sales Adjusted for Line Loss - 0	166,787,843	6,950,015,000	2.39982
28.True-up * (derived in Attachment C)	(2,822,875)	6,950,015,000	-0.04062
29.Pyramid Coal Contract Buyout Adjustment	7,142,691	6,950,015,000	0.10277
30.Total Jurisdictional Fuel Cost	171,107,659	6,950,015,000	2.46198
31.Revenue Tax Factor			1.01652
32.Fuel Cost Adjusted for Taxes			2.50265
33.GPIF *	(652,134)	6,950,015,000	-0.00938
34.Total Fuel Cost including GPIF	170,455,525	6,950,015,000	2.49326
35.Total Fuel Cost Factor Rounded to the Nearest .001 cents per KWH (used in Attachment B, pages 1 and 2 of 9)			2.493

\*Based on Jurisdictional Sales (a) included for informational purposes only.  
 Effective dates for billing purposes: 4/1/90-9/30/90

FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION  
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DIVISION OF ELECTRIC AND GAS  
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CLASSIFICATION	-----GULF POWER COMPANY-----		
	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	100,501,574	4,861,610,000	2.06725
2.Spent NUC Fuel Disposal Cost (E3A)	0	0	0.00000
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	0	0	0.00000
5.TOTAL COST OF GENERATED POWER	100,501,574	4,861,610,000	2.06725
6.Fuel Cost of Purchased Power - Firm (E8)	0	0	0.00000
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	13,858,711	729,240,000	1.90043
8.Energy Cost of Economy Purchases (Non-Broker) (E9)	0	0	0.00000
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Capacity Cost of Sch.E Economy Purchases (E2)	0	0	0.00000
11.Payments to Qualifying Facilities (E8A)	0	0	0.00000
12.TOTAL COST OF PURCHASED POWER	13,858,711	729,240,000	1.90043
13.TOTAL AVAILABLE KWH		5,590,850,000	
14.Fuel Cost of Economy Sales (E7)	(217,310)	(11,840,000)	1.83539
15.Gain on Economy Sales - 80% (E7A)	(284,480)	(70,000,000)(a)	0.40640
16.Fuel Cost of Unit Power Sales (E7)	(9,614,960)	(451,130,000)	2.13131
17.Fuel Cost of Other Power Sales (E7)	(8,344,131)	(402,219,000)	2.07452
18.TOTAL FUEL COST AND GAINS OF POWER SALES	(18,460,881)	(865,189,000)	2.13374
19.Net Inadvertant Interchange (E4)	0		
20.TOTAL FUEL AND NET POWER TRANSACTIONS	95,899,404	4,725,661,000	2.02933
21.Net Unbilled (E4)	0	0	0.00000
22.Company Use (E4)	(199,585)(a)	9,835,000	-0.00454
23.T & D Losses (E4)	(6,450,560)(a)	317,866,000	-0.14667
24.Adjusted System KWH Sales	95,899,404	4,397,960,000	2.18054
25.Wholesale KWH Sales	3,299,990	151,338,000	2.18054
26.Jurisdictional KWH Sales	92,599,414	4,246,622,000	2.18054
27.Jurisdictional KWH Sales Adjusted for Line Loss - 1.00210	92,793,873	4,246,622,000	2.18512
28.True-up * (derived in Attachment C)	8,294,793	4,246,622,000	0.19533
29.Total Jurisdictional Fuel Cost	101,088,666	4,246,622,000	2.38045
30.Revenue Tax Factor			1.01652
31.Fuel Cost Adjusted for Taxes			2.41977
32.GPIF *	(101,127)	4,246,622,000	-0.00238
33.Total Fuel Cost including GPIF	100,987,539	4,246,622,000	2.41739
34.Total Fuel Cost Factor Rounded to the Nearest .001 cents per KWH (used in Attachment B, pages 1 and 2 of 9)			2.417

\*Based on Jurisdictional Sales (a) included for informational purposes only.  
 Effective dates for billing purposes: 03/30/90-9/27/90



FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION  
ESTIMATED FOR THE PERIOD OF : April 1990 - September 1990

DIVISION OF ELECTRIC AND GAS  
DATE: 2-12-90  
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CLASSIFICATION	-----FLORIDA PUBLIC UTILITIES (MARIANNA)-----		
	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	0	342,000	0.00000
2.Spent NUC Fuel Disposal Cost (E3A)	0	0	0.00000
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	0	0	0.00000
5.TOTAL COST OF GENERATED POWER	0	342,000	0.00000
6.Fuel Cost of Purchased Power - Firm (E8)	2,660,413	127,637,000	2.08436
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	0	0	0.00000
8.Energy Cost of Economy Purchases (Non-Broker) (E9)	0	0	0.00000
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Demand & Non Fuel Cost of Purchased Power (E2)	2,838,706	127,637,000 (a)	2.22405
10a.Demand Costs of Purchased Power	1,955,987 (a)		
10b.Non-Fuel Energy & Customer Costs of Purchased Power	882,719 (a)		
11.Energy Payments to Qualifying Facilities (E8A)	0	0	0.00000
12.TOTAL COST OF PURCHASED POWER	5,499,119	127,637,000	4.30841
13.TOTAL AVAILABLE KWH	5,677,412	127,979,000	4.43621
14.Fuel Cost of Economy Sales (E7)	0	0	0.00000
15.Gain on Economy Sales - 80% (E7A)	0	0	0.00000
16.Fuel Cost of Unit Power Sales (E7)	0	0	0.00000
17.Fuel Cost of Other Power Sales (E7)	0	0	0.00000
18.TOTAL FUEL COST AND GAINS OF POWER SALES	0	0	0.00000
19.Net Inadvertant Interchange (E4)			
20.TOTAL FUEL AND NET POWER TRANSACTIONS	5,499,119	127,979,000	4.29689
21.Net Unbilled (E4)	88,688 (a)	2,064,000	0.07346
22.Company Use (E4)	2,922 (a)	68,000	0.00242
23.T & D Losses (E4)	219,958 (a)	5,119,000	0.18219
24.Adjusted System KWH Sales	5,499,119	120,728,000	4.55497
25.Less Total Demand Cost Recovery	1,951,160	0	0.00000
26.Jurisdictional KWH Sales	3,547,959	120,728,000	2.93880
27.Jurisdictional KWH Sales Adjusted for Line Loss - 0	3,547,959	120,728,000	2.93880
28.True-up * (derived in Attachment C)	(48,397)	120,728,000	-0.04009
29.Total Jurisdictional Fuel Cost	3,499,562	120,728,000	2.89872
30.Revenue Tax Factor			1.01652
31.Fuel Cost Adjusted for Taxes	3,499,562	120,728,000	2.94660
32.GPIF *	0	120,728,000	0.00000
33.Total Fuel Cost including GPIF	3,499,562	120,728,000	2.94660
34.Total Fuel Cost Factor Rounded to the Nearest .001 cents per KWH (used in Attachment B, pages 1 and 2 of 9)			2.947

\*Based on Jurisdictional Sales (a) included for informational purposes only.  
Effective dates for billing purposes: 4/1/90-9/30/90



FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION  
 ESTIMATED FOR THE PERIOD OF: April 1990 - September 1990

DIVISION OF ELECTRIC AND GAS  
 DATE: 2-12-90  
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CLASSIFICATION	-----FLORIDA PUBLIC UTILITIES (FERNANDINA)-----		
	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	0	0	0.00000
2.Spent NUC Fuel Disposal Cost (E3A)	0	0	0.00000
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	0	0	0.00000
5.TOTAL COST OF GENERATED POWER	0	0	0.00000
6.Fuel Cost of Purchased Power - Firm (E8)	3,705,555	92,639,000	3.99999
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	0	0	0.00000
8.Energy Cost of Economy Purchases (Non-Broker) (E9)	0		
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Capacity Cost of Sch.E Economy Purchases (E2)	0	92,639,000 (a)	0.00000
10a.Demand & Non Fuel Cost of Purchased Power	1,800,507	92,639,000	
10b.Demand Costs of Purchased Power (E2)	1,044,000 (a)		
10c.Non Fuel Energy and Customer Costs of Purchased Power (E2)	756,507 (a)		
11.Energy Payments to Qualifying Facilities (E8A)	1,278,900	31,500,000	4.06000
12.TOTAL COST OF PURCHASED POWER	6,784,962	124,139,000	5.46562
13.TOTAL AVAILABLE KWH		124,139,000	
14.Fuel Cost of Economy Sales (E7)	0	0	0.00000
15.Gain on Economy Sales - 80% (E7A)	0	0	0.00000
16.Fuel Cost of Unit Power Sales (E7)	0	0	0.00000
17.Fuel Cost of Other Power Sales (E7)	0	0	0.00000
18.TOTAL FUEL COST AND GAINS OF POWER SALES	0	0	0.00000
19.Net Inadvertant Interchange (E4)			
20.TOTAL FUEL AND NET POWER TRANSACTIONS	6,784,962	124,139,000	5.46562
21.Net Unbilled (E4)	168,450 (a)	3,082,000	0.14795
22.Company Use (E4)	5,466 (a)	100,000	0.00480
23.T & D Losses (E4)	388,278 (a)	7,104,000	0.34103
24.Adjusted System KWH Sales	6,784,962	113,853,000	5.95941
25.Wholesale KWH Sales	0	0	0.00000
26.Jurisdictional KWH Sales	6,784,962	113,853,000	5.95941
27.Jurisdictional KWH Sales Adjusted for Line Loss - 0	6,784,962	113,853,000	5.95941
27a.GSLD KWH Sales (E11)		12,900,000	
27b.Other Classes KWH Sales (E11)		100,953,000	
27c.GSLD CP KW		66,000	
28. GPIF			
29.True-up * (derived in Attachment C)	(121,246)	113,853,000	-0.10649
30.Total Jurisdictional Fuel Cost	6,663,716	113,853,000	5.85291

FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION  
 ESTIMATED FOR THE PERIOD OF : April 1990 - September 1990

DIVISION OF ELECTRIC AND GAS  
 DATE: 2-12-90  
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CLASSIFICATION	-----FLORIDA PUBLIC UTILITIES (FERNANDINA)-----		
	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
30a.Demand Purchased Power Costs (line 10a)	1,044,000 (a)		
30b.Non-Demand Purchased Power Costs (lines 6+10b+11)	5,740,962 (a)		
30c.True-up Over/Under Recovery (line 29)	(121,246)(a)		
31.Total Demand Costs	1,044,000		
32.GSLD Portion of Demand Costs Including line losses (line 27c * \$3.30)	244,728	66,000	
33.Balance to Other Customers	799,272	100,953,000	0.79173
34.Total Non-Demand Costs (line 30b)	5,740,962		
35.Total KWH Purchased (line 12)		124,139,000	
36.Average Cost per KWH Purchased			4.62462
37.Avg. Cost Adjusted for Transmission line losses (line 36 * 1.03)			4.76336
38.GSLD Non-Demand Costs (line 27a * line 37)	614,109	12,900,000	4.76053
39.Balance to Other Customers	5,126,853	100,953,000	5.07846
40a.Total GSLD Demand Costs (Line 32)	244,728	66,000	3.70800
40b.Revenue Tax Factor			1.01652
40c.GSLD Demand Purchased Power factor adjusted for taxes and rounded			3.76926
40d.Total Current GSLD Non-Demand Costs (line 38)	614,109	12,900,000	4.76053
40e.Total Non-Demand Costs including true-up	614,109	12,900,000	4.76053
40f.Revenue Tax Factor			1.01652
40g.GSLD Non-demand costs adjusted for taxes			4.83918
41a.Total Demand and Non-Demand Purchased Power Costs of other classes (lines 33 + 39)	5,926,125	100,953,000	5.87018
41b.Less: Total Demand Cost Recovery	765,818 (a)		
41c.Total Other Costs to be Recovered	5,160,307 (a)		
41d.Other Classes' Portion of True-up (line 30 C)	(121,246)	100,953,000	-0.12010
41e.Total Demand and Non-Demand Costs including True-up	5,039,061	100,953,000	4.99149
42.Revenue tax factor			1.01652
			5.07395
43.Other Classes Purchased Power Factor adjusted for taxes to the Nearest .001 cents per KWH (used in Attachment B, pages 1 and 2 of 9)			5.074

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 Effective dates for billing purposes: 04/1/90-9/30/90