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**BEFORE THE FLORIDA  
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 980007-EI  
FLORIDA POWER & LIGHT COMPANY**

**JUNE 22, 1998**

**ENVIRONMENTAL COST RECOVERY  
FACTOR**

**PROJECTIONS  
OCTOBER 1998 THROUGH DECEMBER 1998**

**TESTIMONY & EXHIBITS OF:**

**K. M. DUBIN**

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
**FLORIDA POWER & LIGHT COMPANY**  
**TESTIMONY OF KOREL M. DUBIN**  
**DOCKET NO. 980007-EI**  
**JUNE 22, 1998**

**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 a Principal Rate Analyst in the Rates and Tariff Administration Department.

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

A. Yes, I have.

**Q. What is the purpose of your testimony in this proceeding?**

A. The purpose of my testimony is to present for Commission review FPL's projected Environmental Cost Recovery Clause (ECRC) factors for the period October 1998 through December 1998 but FPL recommends that they not be implemented. Instead, FPL requests

1 approval to extend the current ECRC factors through the last three  
2 months of this year, October 1998 through December 1998.

3

4 **Q. Why should FPL's ECRC factors, currently approved through**  
5 **September 1998, be extended for the three month period of**  
6 **October through December 1998?**

7 **A.** Projections for the period October 1998 through December 1998 as  
8 well as the estimated/actual costs for the period October 1997 through  
9 September 1998 indicate that the ECRC factors would not change  
10 significantly. Therefore, FPL believes that a change to customer bills  
11 for the three month period of October through December 1998 is not  
12 warranted.

13

14 In Order No. PSC-98-0691-FOF-PU, Docket No. 980269-PU dated  
15 May 19, 1998, the Commission found that Fuel, Capacity, and  
16 Environmental Factors should be determined on a calendar year basis  
17 beginning in 1999 and Conservation Factors should be determined on  
18 a calendar year basis beginning in 2000. One of the main objectives  
19 of going to calendar year recovery periods for the four cost recovery  
20 clauses is to provide customers with one charge for electricity for a  
21 one year period. Annual factors provide customers with more certain  
22 and stable prices and customers are able to plan with greater certainty  
23 their level of expenditures for electricity for the year. Extending the

1 ECRC factors for the period October 1998 through December 1998 is  
2 consistent with earlier Commission decisions where the Commission  
3 approved FPL's Fuel Factors through December 1998 and also  
4 extended FPL's Capacity Factors for the three month period of  
5 October through December 1998. Therefore, FPL proposes to extend  
6 the current ECRC factors through the last three months of this year,  
7 October through December 1998.

8  
9  
10 **Q. Is this filing by FPL in compliance with Order No. PSC-93-1580-**  
11 **FOF-EI, issued in Docket No. 930661-EI?**

12 **A. Yes.**

13  
14 **Q. Have you prepared or caused to be prepared under your**  
15 **direction, supervision or control an exhibit in this proceeding?**

16 **A. Yes, I have. It consists of fourteen documents, PSC Forms 42-1P**  
17 **through 42-4P and 42-6P through 42-7P provided in Appendix I and**  
18 **PSC Forms 42-1E through 42-8E provided in Appendix II. Form 42-**  
19 **1P provides a summary of cost projections for the period October**  
20 **1998 through December 1998, Form 42-2P, reflects the total**  
21 **jurisdictional recoverable costs for O&M activities, Form 42-3P reflects**  
22 **the total jurisdictional recoverable costs for capital investment projects,**  
23 **Form 42-4P consists of the calculation of depreciation expense and**

1 return on capital investment, Form 42-6P reflects the calculation of  
2 the energy and demand allocation percentages by rate class and 42-  
3 7P reflects the calculation of the ECRC factors. In addition, Forms 42-  
4 1E through 42-8 E reflect the true-up and variance calculations for the  
5 prior period.

6  
7  
8 **Q. Please describe Form 42-1P.**

9 **A.** Form 42-1P provides a summary of Environmental Cost Recovery  
10 Projections for the period October through December 1998. Total  
11 recoverable environmental costs, adjusted for revenue taxes, amount  
12 to \$4,909,380 and include \$4,090,977 of environmental project costs  
13 increased by \$185,246 (3/15ths of the estimated/actual underrecovery  
14 of \$926,229 for the October 1997 - September 1998 period) minus  
15 \$431,584 (3/15ths of the final overrecovery of \$2,157,919 for the  
16 period October 1996 - September 1997). FPL assumed that the true  
17 up amounts would be recovered over the 15 month period of October  
18 1998 through December 1999. Additionally, FPL is evaluating a new  
19 project for Wastewater and Stormwater Elimination and Reuse and  
20 expects to file an Interim petition requesting recovery through the  
21 ECRC. Therefore, \$987,000 in projected costs for this potential  
22 project for the period through December 1998 have been added to the  
23 projected ECRC costs for the period.

1

2 Q. How do the costs described on Form 42-1P for the period  
3 October 1998 through December 1998 compare to costs included  
4 in the current factor for the period October 1997 through  
5 September 1998?

6 A. As stated previously, the total recoverable environmental costs  
7 provided on Form 42-1P amount to \$4,909,380 for the three month  
8 period of October through December 1998. The total recoverable  
9 environmental costs included in the factor for the twelve month period  
10 October 1997 through September 1998 is \$22,228,780 (See Form 42-  
11 1P, filed August 14, 1997 in Docket No. 970007-EI). To put the costs  
12 on a comparable basis we have adjusted the \$22,228,780 to show  
13 three months of costs which results in \$5,557,195 ((\$22,228,780  
14 divided by 12 months) times 3 months). This \$5,557,195 in costs for  
15 the current period compared to the \$4,909,380 in projected costs for  
16 the three month period of October through December 1998 results in a  
17 difference \$647,815. To put this in perspective, FPL's current  
18 Residential Bill is \$75.12. The difference in the ECRC projections  
19 would change the bill by \$ .03 or less than one tenth of one percent  
20 (0.04%), not significant enough to warrant a change for only three  
21 months.

22 Furthermore, even without the new project, the difference in the ECRC  
23 projections would only change the bill by \$.09, or one tenth of one

1           percent (0.1%), still not significant enough to warrant a change for only  
2           three months.

3  
4   **Q.    Please describe Forms 42-2P and 42-3P.**

5   **A.    Form 42-2P presents the O&M project costs to be recovered in the**  
6           **projected period along with the calculation of total jurisdictional**  
7           **recoverable costs for these projects, classified by energy and demand.**

8  
9           Form 42-3P presents the capital investment project costs to be  
10          recovered in the projected period along with the calculation of total  
11          jurisdictional recoverable costs for these projects, classified by energy  
12          and demand.

13  
14          Forms 42-2P and 42-3P present the method of classifying costs  
15          consistent with Order No. PSC-94-0393-FOF-EI.

16  
17   **Q.    Are all costs listed in Forms 42-1P through 42-8P attributable to**  
18           **Environmental Compliance projects previously approved by the**  
19           **Commission?**

20   **A.    Yes.**

21  
22   **Q.    Please describe Form 42-6P.**

23   **A.    Form 42-6P calculates the allocation factors for demand and energy at**

1 generation. The demand allocation factors are calculated by deter-  
2 mining the percentage each rate class contributes to the monthly  
3 system peaks. The energy allocators are calculated by determining  
4 the percentage each rate contributes to total kWh sales, as adjusted  
5 for losses, for each rate class.

6

7 **Q. Please describe Form 42-7P.**

8 A. Form 42-7P presents the calculation of the proposed ECRC factors by  
9 rate class.

10

11 **Q. How do the estimated/actual project expenditures for October  
12 1997 through September 1998 period compare with original  
13 projections?**

14 A. Form 42-4E shows that total O&M project costs were \$895,868 lower  
15 than projected and Form 42-6E shows that total capital investment  
16 project costs were \$1,525,293 greater than projected. Below are  
17 explanations for those O & M Projects and Capital Investment Projects  
18 with significant variances. All variances are provided in detail on  
19 Forms 42-4E and 42-6E. Return on Capital Investment, Depreciation  
20 and Taxes for each project for the estimated/actual period October  
21 1997 through September 1998 are provided as Form 42-8E, pages 1  
22 through 20.

23



1 **EXPLANATIONS OF VARIANCES**

2 **Air Operating Permit Fees - O&M**

3 Actual expenditures were \$54,582 or 2.9% greater than projected.  
4 The projections were based on the fees paid the previous year.  
5 Permit fees are calculated based on the tons of pollutants discharged  
6 from the fossil fuel fired power plants. These emissions are  
7 proportional to the amount of time each plant operates and the type of  
8 fuel used. Since these are variables that fluctuate daily based on  
9 weather conditions, price of fuel, etc. it is difficult to predict exactly  
10 what the fees will be for the next reporting period.

11

12 **Maintenance of Stationary Above Ground Fuel Storage Tanks - O&M**

13 Actual expenditures were \$259,752 or 16.0% greater than projected.  
14 This variance is offset by an underrun in the prior reporting period  
15 which was due to the delay in starting the reconditioning of the Sanford  
16 Plant C Tank. The delay was the result of the additional time required  
17 to obtain repair bids based on the condition assessment of the  
18 cleaned tank. The project is now complete and the tank is being  
19 returned back in service.

20

21

22 **Oil Spill Cleanup/Response Equipment - O&M**

23 Actual expenditures were \$21,519 or 5.2% less than projected. The

1 variance is the result of difficulty in obtaining environmental sensitivity  
2 data for the development of the Oil Spill Trajectory Modeling project.

3

4 **RCRA Corrective Action - O&M**

5 Actual expenditures were \$65,165 or 16.0% less than projected. As  
6 previously reported in Docket No 980007-EI, the Environmental  
7 Protection Agency(EPA) has been unable to schedule the Visual Site  
8 Inspections at Manatee, Port Everglades and Sanford Plants. The  
9 pre-inspection activities are proceeding and no variance is anticipated  
10 by year-end 1998.

11

12 **NPDES Permit Fees - O&M**

13 Actual expenditures were \$14,543 greater than projected due to the  
14 erroneous omission of the permit fees due for the St. Lucie Plant  
15 (Nuclear). These expenditures should have been included in the  
16 original projections.

17

18 **Disposal of Noncontainerized Liquid Waste - O&M**

19 Actual expenditures were \$90,282 or 35.0% greater than projected.  
20 For the previous reporting period (10/96 - 9/97) the project  
21 experienced an underrun of \$293,708 and was behind schedule. A  
22 second crew had been added to increase the production rate and get  
23 the project back on schedule. The overrun currently being realized is

1 a result of the additional crew. Based on the current schedule no  
2 variance is anticipated by year-end 1998.

3

4 **Substation Pollutant Discharge Prevention & Removal -**

5 **Distribution - O&M**

6 Actual expenditures were \$1,335,108 or 18.0% less than projected.

7 This underrun is due to schedule delays caused by the identification of  
8 more discharges than originally identified. Leak prevention activities  
9 are delaying the encapsulation portion of the project. The extremely  
10 hot weather conditions currently being experienced in Florida will  
11 prevent the transformers from being taken out-of-service to perform  
12 the encapsulation and leak prevention activities. Due to record setting  
13 system load demands this portion of the project will be delayed to  
14 avoid jeopardizing the availability of electricity. The remediation  
15 portion of the project is currently being worked at an accelerated pace  
16 and will continue throughout the summer months which will reduce the  
17 variance by year-end 1998.

18

19 **Substation Pollutant Discharge Prevention & Removal -**

20 **Transmission - O&M**

21 Actual expenditures were \$104,451 or 5.0% more than projected. The  
22 overrun is due to the prioritizing of work activities in conjunction with  
23 the previous project (Distribution). The severity of leaks and the

1 availability of transformer electrical clearances resulted in more  
2 transmission transformers being addressed than distribution  
3 transformers.

4  
5 **Low NOx, Continuous Emissions Monitoring and Clean Closure**  
6 **Equivalency Projects - Capital**

7 Variances are primarily due to higher depreciation rates at six steam  
8 generation sites, authorized in Order No. PSC-97-1015-PCO-EI. An  
9 adjustment to record implementation of the proposed depreciation  
10 rates, on a preliminary basis retroactive to January 1, 1997, was made  
11 in April 1998.

12  
13 **SO2 Allowances - Negative Return on Investment**

14 Variance is primarily due to higher than anticipated gains resulting  
15 from the 1997 auction of emission allowances by the DOE.

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

18 **A. Yes, it does.**

**APPENDIX I**

**ENVIRONMENTAL COST RECOVERY  
COMMISSION FORMS 42-1P THROUGH 42-4P and  
42-6P THROUGH 42-7P  
PROJECTED PERIOD  
OCTOBER 1998 - DECEMBER 1998**

**KMD-1  
DOCKET NO. 980007-EI  
FPL WITNESS: K. M. DUBIN  
EXHIBIT**

**PAGES 1- 16  
JUNE 22, 1998**

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Total Jurisdictional Amount to Be Recovered**

For the Projected Period  
 October 1998 to December 1998

Line No.	Energy (\$)	CP Demand (\$)	GCP Demand (\$)	Total (\$)
1 Total Jurisdictional Rev. Req. for the projected period				
a Projected O&M Activities (FORM 42-2P, Line 9)	305,233	360,762	1,704,291	2,370,286
b Projected Capital Projects (FORM 42-3P, Line 9)	<u>1,270,493</u>	<u>450,198</u>	<u>0</u>	<u>1,720,691</u>
c Total Jurisdictional Rev. Req. for the projected period (Lines 1a + 1b)	1,575,726	810,960	1,704,291	4,090,977
2 3/15th of the True-up for Estimated Over/(Under) Recovery for the current period October 1997 - September 1998 (FORM 42-1E, Line 7) (Assumes true-up to be recovered over 15 month period of October 1998 - December 1999)	(83,361)	(50,016)	(51,869)	(185,246)
3 3/15th of Final True-up Over/(Under) for the period October 1996 - September 1997 (FORM 42-1A, Line 9) filed January 2, 1998 (Assumes true-up to be recovered over 15 month period of October 1998 - December 1999)	<u>263,266</u>	<u>155,370</u>	<u>12,948</u>	<u>431,584</u>
3a Potential new Environmental project - Wastewater and Stormwater Elimination and Reuse Project	<u>0</u>	<u>987,000</u>	<u>0</u>	<u>987,000</u>
4 Total Jurisdictional Amount to be Recovered/(Refunded) in the projection period October 1998 - December 1998 (Line 1 - Line 2 - line 3)	<u>1,395,820</u>	<u>1,692,606</u>	<u>1,743,212</u>	<u>4,831,639</u>
5 Total Projected Jurisdictional Amount Adjusted for Taxes (Line 4 x Revenue Tax Multiplier)	<u>1,418,279</u>	<u>1,719,840</u>	<u>1,771,261</u>	<u>4,909,380</u>

## Notes:

Allocation to energy and demand in each period are in proportion to the respective period split of costs indicated on lines 7 & 8 of Forms 42-5 & 42-7 of the estimates and actuals.

True-up costs are split in proportion to the split of actual demand-related and energy-related costs from respective true-up periods.

Totals may not add due to rounding.

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Projected Period Amount**  
**October 1998 - December 1998**

Line	O&M Activities (in Dollars)			Total	Method of Classification		
	Estimated OCT	Estimated NOV	Estimated DEC		CP Demand	GCP Demand	Energy
1	Description of O&M Activities						
1							
1	Air Operating Permit Fees-O&M	\$4,773	\$4,773	\$4,773	\$14,319		\$14,319
3a	Continuous Emission Monitoring Systems-O&M	44,000	44,000	44,000	132,000		132,000
4a	Clean Closure Equivalency-O&M	0	0	0	0	0	0
5a	Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	0	0	0	0	0	
5c	Maintenance of Stationary Above Ground Fuel Storage Tanks-Spill Abatement	0	0	0	0	0	0
8a	Oil Spill Cleanup/Response Equipment-O&M	26,000	26,000	26,000	78,000		78,000
9	Low-Level Radioactive Waste Access Fees-O&M	0	0	0	0	0	0
13	RCRA Corrective Action-O&M	0	0	0	0	0	
14	NPDES Permit Fees-O&M	0	0	0	0	0	
17a	Disposal of Noncontainerized Liquid Waste-O&M	20,000	25,000	10,000	55,000		55,000
19a	Substation Pollutant Discharge Prevention & Removal - Distribution - O&M	592,019	592,019	592,019	1,776,057		1,776,057
19b	Substation Pollutant Discharge Prevention & Removal - Transmission - O&M	157,372	157,372	157,372	472,116	435,799	36,317
19c	Substation Pollutant Discharge Prevention & Removal - Costs Included in Base Rates	(46,666)	(46,666)	(46,666)	(140,056)	(64,642)	(70,029)
2	Total of O&M Activities	\$ 797,478	\$ 802,478	\$ 787,478	\$ 2,367,434	\$ 371,157	\$ 1,706,028
3	Recoverable Costs Allocated to Energy	\$ 105,083	\$ 110,083	\$ 95,083	\$ 310,249		
4a	Recoverable Costs Allocated to CP Demand	\$ 123,719	\$ 123,719	\$ 123,719	\$ 371,157		
4b	Recoverable Costs Allocated to GCP Demand	\$ 568,676	\$ 568,676	\$ 568,676	\$ 1,706,028		
5	Retail Energy Jurisdictional Factor	98.38318%	98.38318%	98.38318%			
6a	Retail CP Demand Jurisdictional Factor	97.19921%	97.19921%	97.19921%			
6b	Retail GCP Demand Jurisdictional Factor	99.69826%	99.69826%	99.69826%			
7	Jurisdictional Energy Recoverable Costs (A)	\$ 103,384	\$ 108,303	\$ 93,548	\$ 305,233		
8a	Jurisdictional CP Demand Recoverable Costs (B)	\$ 120,254	\$ 120,254	\$ 120,254	\$ 360,762		
8b	Jurisdictional GCP Demand Recoverable Costs (C)	\$ 568,097	\$ 568,097	\$ 568,097	\$ 1,704,291		
9	Total Jurisdictional Recoverable Costs for O&M Activities (Lines 7 + 8)	\$ 791,735	\$ 796,654	\$ 781,897	\$ 2,370,286		

Notes:

- (A) Line 3 x Line 5
- (B) Line 4a x Line 6a
- (C) Line 4b x Line 6b

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Projected Period Amount**  
**October 1998 -December 1998**

**Capital Investment Projects-Recoverable Costs**  
**(in Dollars)**

<u>Line</u>	Estimated	Estimated	Estimated	Total	<u>Method of Classification</u>	
	OCT	NOV	DEC		Demand	Energy
1 Description of Investment Projects (A)						
2 Low NOx Burner Technology-Capital	\$ 256,088	\$ 254,899	\$ 253,712	\$ 764,699		\$ 764,699
3b Continuous Emission Monitoring Systems-Capital	174,982	174,302	173,624	522,908		522,908
4b Clean Closure Equivalency-Capital	705	703	701	2,109	1,947	162
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	142,043	142,154	142,802	426,999	394,153	32,846
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	321	321	320	962	888	74
8b Oil Spill Cleanup/Response Equipment-Capital	10,112	10,039	9,966	30,117	27,800	2,317
10 Relocate Storm Water Runoff-Capital	1,215	1,213	1,210	3,638	3,358	280
NA SO2 Allowances-Negative Return on Investment	(11,611)	(11,611)	(11,611)	(34,833)		(34,833)
12 Scherer Discharge Pipeline-Capital	9,043	9,021	9,001	27,065	24,983	2,082
17b Disposal of Noncontainerized Liquid Waste-Capital	3,635	3,626	3,617	10,878	10,041	837
2 Total Investment Projects - Recoverable Costs	\$ 586,533	\$ 584,687	\$ 583,342	\$ 1,754,542	\$ 463,170	\$ 1,291,372
3 Recoverable Costs Allocated to Energy	\$ 432,311	\$ 430,442	\$ 428,619	\$ 1,291,372		
4 Recoverable Costs Allocated to Demand	\$ 154,222	\$ 154,225	\$ 154,723	\$ 463,170		
5 Retail Energy Jurisdictional Factor	98.38318%	98.38318%	98.38318%			
6 Retail Demand Jurisdictional Factor	97.19921%	97.19921%	97.19921%			
7 Jurisdictional Energy Recoverable Costs (B)	\$ 425,321	\$ 423,483	\$ 421,689	\$ 1,270,493		
8 Jurisdictional Demand Recoverable Costs (C)	\$ 149,903	\$ 149,905	\$ 150,390	\$ 450,198		
9 Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	\$ 575,224	\$ 573,388	\$ 572,079	\$ 1,720,691		

Notes:

(A) Each project's Total System Recoverable Expenses on Form 42-4P, Line 9

(B) Line 3 x Line 5

(C) Line 4 x Line 6



**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period October 1998 through December 1998**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Low NOx Burner Technology (Project No. 2)**  
(In Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December	End of Period Amount
1. Investments					
a. Expenditures/Additions					
b. Clearings to Plant		\$0	\$0	\$0	\$0
c. Retirements					
d. Other (A)					
2. Plant-In-Service/Depreciation Base	\$17,611,468	17,611,468	17,611,468	17,611,468	n/a
3. Less: Accumulated Depreciation (B)	3,743,785	3,873,542	4,003,299	4,133,057	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$13,867,683	\$13,737,926	\$13,608,168	\$13,478,411	\$0
6. Average Net Investment		13,602,603	13,673,047	13,543,290	
7. Return on Average Net Investment					
a. Equity Component grossed up for taxes (C)		88,841	88,008	87,171	264,017
b. Debt Component (Line 6 x 3.2592% x 1/12)		37,488	37,136	36,784	111,408
8. Investment Expenses					
a. Depreciation (D)		129,757	129,757	129,757	389,272
b. Amortization					
c. Dismantlement					
d. Property Expenses					
e. Other (E)					
9. Total System Recoverable Expenses (Lines 7 & 8)		\$256,088	\$254,899	\$253,712	\$0

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1998 through December 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Continuous Emissions Monitoring (Project No. 3b)  
(in Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December	End of Period Amount
1. Investments					
a. Expenditures/Additions					
b. Clearings to Plant		\$0	\$0	\$0	\$0
c. Retirements					\$0
d. Other (A)					
2. Plant-In-Service/Depreciation Base	\$13,505,130	13,505,130	13,505,130	13,505,130	n/a
3. Less: Accumulated Depreciation (B)	2,448,386	2,522,511	2,596,635	2,670,760	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$11,056,744	\$10,982,619	\$10,908,495	\$10,834,370	\$0
6. Average Net Investment		11,019,681	10,945,557	10,871,432	\$0
7. Return on Average Net Investment					
a. Equity Component grossed up for taxes (C)		70,928	70,450	69,873	211,351
b. Debt Component (Line 6 x 3.2592% x 1/12)		29,929	29,728	29,527	89,184
8. Investment Expenses					
a. Depreciation (D)		74,125	74,125	74,125	222,374
b. Amortization					
c. Dismantlement					
d. Property Expenses					
e. Other (E)					
9. Total System Recoverable Expenses (Lines 7 & 8)		\$174,952	\$174,302	\$173,624	\$0
					\$522,909

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1998 through December 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Clean Closure Equivalency (Project No. 4b)  
(in Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December				End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0				\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$58,868	58,868	58,868	58,868				n/a
3. Less: Accumulated Depreciation (B)	11,667	11,943	12,218	12,493				n/a
4. CWIP - Non Interest Bearing	0	0	0	0				0
5. Net Investment (Lines 2 - 3 + 4)	\$47,199	\$46,923	\$46,648	\$46,372	\$0	\$0	\$0	n/a
6. Average Net Investment		47,081	46,765	46,510				
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		303	301	299				903
b. Debt Component (Line 6 x 3.2592% x 1/12)		128	127	126				381
8. Investment Expenses								
a. Depreciation (D)		275	275	275				825
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$705	\$703	\$701	\$0	\$0	\$0	\$2,109

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period October 1998 through December 1998**

Return on Capital Investments, Depreciation and Taxes  
**For Project: Maintenance of Above Ground Storage Tanks (Project No. 5b)**  
(in Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December				End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$85,000	\$90,000				\$175,000
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$11,407,654	11,407,654	11,492,656	11,582,656				n/a
3. Less: Accumulated Depreciation (B)	620,040	663,550	707,180	751,058				n/a
4. CWIP - Non Interest Bearing	0	0	0	0				0
5. Net Investment (Lines 2 - 3 + 4)	\$10,787,614	\$10,744,104	\$10,785,476	\$10,831,598	\$0	\$0	\$0	n/a
6. Average Net Investment		10,765,859	10,764,790	10,808,537				
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		69,294	69,287	69,569				208,149
b. Debt Component (Line 6 x 3.2592% x 1/12)		29,240	29,237	29,356				87,833
8. Investment Expenses								
a. Depreciation (D)		43,510	43,630	43,878				131,018
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$142,043	\$142,154	\$142,802	\$0	\$0	\$0	\$426,999

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1998 through December 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Relocate Turbine Oil Underground Piping (Project No. 7)  
(in Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December				End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0				\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$31,030	31,030	31,030	31,030				n/a
3. Less: Accumulated Depreciation (B)	5,467	5,555	5,643	5,731				n/a
4. CVVIP - Non Interest Bearing	0	0	0	0				0
5. Net Investment (Lines 2 - 3 + 4)	\$25,563	\$25,475	\$25,387	\$25,299	\$0	\$0	\$0	n/a
6. Average Net Investment		25,519	25,431	25,343				
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		164	164	163				491
b. Debt Component (Line 6 x 3.2592% x 1/12)		69	69	69				207
8. Investment Expenses								
a. Depreciation (D)								
b. Amortization		88	88	88				264
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$321	\$321	\$320	\$0	\$0	\$0	\$962

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
 For the Period October 1998 through December 1998

Return on Capital Investments, Depreciation and Taxes  
 For Project: Oil Spill Cleanup/Response Equipment (Project No. 8b)  
 (In Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December	End of Period Amount
1. Investments					
a. Expenditures/Additions					
b. Clearings to Plant		\$0	\$0	\$0	\$0
c. Retirements					
d. Other (A)					
2. Plant-In-Service/Depreciation Base	\$661,935	661,935	661,935	661,935	n/a
3. Less: Accumulated Depreciation (B)	425,800	433,788	441,775	449,763	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$236,136	\$228,147	\$220,160	\$212,172	\$0
6. Average Net Investment		232,141	224,154	216,166	
7. Return on Average Net Investment					
a. Equity Component grossed up for taxes (C)		1,494	1,443	1,391	4,328
b. Debt Component (Line 6 x 3.2502% x 1/12)		630	609	587	1,826
8. Investment Expenses					
a. Depreciation (D)		7,988	7,988	7,988	23,963
b. Amortization					
c. Dismantlement					
d. Property Expenses					
e. Other (E)					
9. Total System Recoverable Expenses (Lines 7 & 8)		\$10,112	\$10,039	\$9,966	\$0
					\$0
					\$0
					\$30,117

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1998 through December 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Relocate Storm Water Runoff (Project No. 10)  
(in Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December	End of Period Amount
1. Investments					
a. Expenditures/Additions					
b. Clearings to Plant		\$0	\$0	\$0	\$0
c. Retirements					
d. Other (A)					
2. Plant-In-Service/Depreciation Base	\$117,794	117,794	117,794	117,794	n/a
3. Less: Accumulated Depreciation (B)	14,395	14,665	14,936	15,206	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$103,399	\$103,129	\$102,858	\$102,588	\$0
6. Average Net Investment		103,264	102,993	102,723	\$0
7. Return on Average Net Investment					
a. Equity Component grossed up for taxes (C)		665	663	661	1,909
b. Debt Component (Line 6 x 3.2592% x 1/12)		280	280	279	839
8. Investment Expenses					
a. Depreciation (D)		270	270	270	810
b. Amortization					
c. Dismantlement					
d. Property Expenses					
e. Other (E)					
9. Total System Recoverable Expenses (Lines 7 & 8)		\$1,215	\$1,213	\$1,210	\$3,638

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1998 through December 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Scherer Discharge Pipeline (Project No. 12)  
(in Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December				End of Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0				\$0
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$864,260	864,260	864,260	864,260				n/a
3. Less: Accumulated Depreciation (B)	114,088	116,274	118,459	120,645				n/a
4. CWIP - Non Interest Bearing	0	0	0	0				0
5. Net Investment (Lines 2 - 3 + 4)	\$750,172	\$747,986	\$745,801	\$743,616	\$0	\$0	\$0	n/a
6. Average Net Investment		749,079	746,694	744,708				
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		4,821	4,807	4,793				14,422
b. Debt Component (Line 6 x 3.2592% x 1/12)		2,034	2,029	2,023				6,086
8. Investment Expenses								
a. Depreciation (D)		2,108	2,188	2,188				8,557
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$9,043	\$9,021	\$9,001	\$0	\$0	\$0	\$27,065

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A



**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
 For the Period October 1988 through December 1988

Return on Capital Investments, Depreciation and Taxes  
 For Project: Noncontainerized Liquid Wastes (Project No. 17)  
 (in Dollars)

Line	Beginning of Period Amount	Projected October	Projected November	Projected December	End of Period Amount
1. Investments					
a. Expenditures/Additions					
b. Clearings to Plant		\$0	\$0	\$0	\$0
c. Retirements					
d. Other (A)					
2. Plant-In-Service/Depreciation Base	\$311,009	311,009	311,009	311,009	n/a
3. Less: Accumulated Depreciation (B)	20,929	21,914	22,899	23,884	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$290,080	\$289,095	\$288,110	\$287,125	\$0
6. Average Net Investment		289,588	288,603	287,618	
7. Return on Average Net Investment					
a. Equity Component grossed up for taxes (C)		1,884	1,858	1,851	5,573
b. Debt Component (Line 6 x 3.2582% x 1/12)		787	784	781	2,352
8. Investment Expenses					
a. Depreciation (D)		985	985	985	2,955
b. Amortization					
c. Dismantlement					
d. Property Expenses					
e. Other (E)					
9. Total System Recoverable Expenses (Lines 7 & 8)		\$3,635	\$3,626	\$3,617	\$0
					\$0
					\$0
					\$10,879

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7443% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on assets closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Schedule of Negative Return on**  
**Deferred Gain on Sales of Emission Allowances**  
**For the Period October 1998 through December 1998**

Line No.	Description	Beginning of Period	October	November	December	Line No.
1	Additions					
2	Net Investment	(\$1,268,670)	(\$1,268,670)	(\$1,268,670)	(\$1,268,670)	1
3	Average Net Investment		(\$1,268,670)	(\$1,268,670)	(\$1,268,670)	2
4	Return on Average Net Investment (a)					3
	a. Equity Component grossed up for taxes (A)		(8,166)	(8,166)	(8,166)	4
	b. Debt Component (Line 3 x 3.2592% /12)		(3,446)	(3,446)	(3,446)	4
5	<b>Total Return Requirements (Line 4b + 4c)</b>		<b>(11,611)</b>	<b>(11,611)</b>	<b>(11,611)</b>	<b>5</b>

Notes:

(A) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7443% reflects a 12% return on equity.

In accordance with FPSC Order No. PSC-94-0303-FOF-E1, FPL has recorded the sales of emissions allowances as a regulatory liability. This schedule reflects the return on that regulatory liability.

4

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Energy & Demand Allocation % By Rate Class**  
**October 1998 to December 1998**

Rate Class	(1) Avg 12 CP Load Factor at Meter (%)	(2) GCP Load Factor at Meter (%)	(3) Projected Sales at Meter (KWH)	(4) Projected Avg 12 CP at Meter (KWH)	(5) Projected GCP at Meter (KWH)	(6) Demand Loss Expansion Factor	(7) Energy Loss Expansion Factor	(8) Projected Sales at Generation (KWH)	(9) Projected Avg 12 CP at Generation (MW)	(10) Projected GCP Demand at Generation (MW)	(11) Percentage of KWH Sales at Generation (%)	(12) Percentage of 12 CP Demand at Generation (%)	(13) Percentage of GCP Demand at Generation (%)
RS1	58.222%	43.427%	10,757,489,328	8,438,838	11,311,109	1.097988885	1.072937537	11,542,114,104	9,283,537	12,419,449	53.44014%	61.40725%	61.99258%
GS1	87.823%	45.601%	1,245,753,454	841,189	1,247,418	1.097988885	1.072937537	1,338,815,643	923,814	1,389,649	8.18855%	8.12258%	8.83671%
GSD1	79.333%	59.790%	4,552,553,947	2,820,337	3,478,851	1.097911508	1.072930283	4,884,572,995	2,878,898	3,817,275	22.61584%	19.07073%	19.05424%
OS2	118.281%	8.018%	5,428,241	2,132	30,920	1.081933170	1.048417800	5,680,208	2,284	32,835	0.02630%	0.01501%	0.16390%
GSLD1/CS1	82.492%	63.782%	1,870,233,874	1,035,237	1,338,907	1.096484128	1.072577208	2,005,970,009	1,135,100	1,488,063	9.28767%	7.52449%	7.32795%
GSLD2/CS2	88.362%	66.802%	359,238,754	185,640	245,552	1.084787899	1.057887822	383,624,555	201,380	268,372	1.77619%	1.33493%	1.32962%
GSLD3/CS3	88.822%	0.000%	182,827,738	85,638	0	1.031885728	1.024172189	186,763,839	88,349	0	0.77212%	0.58588%	0.00000%
ISST1D	157.977%	12.500%	181,475	47	590	1.097988885	1.072937537	173,253	52	648	0.00080%	0.00034%	0.00323%
SST1T	42.960%	0.000%	23,144,195	24,600	0	1.031885728	1.024172189	23,703,641	25,379	0	0.10975%	0.16824%	0.00000%
SST1D	125.616%	45.105%	14,248,035	5,179	14,422	1.081884680	1.055087838	15,030,818	5,603	15,603	0.06959%	0.03714%	0.07788%
CILCD/CILCG	90.957%	72.262%	713,134,359	358,007	450,626	1.088932382	1.068725084	782,144,578	389,845	490,701	3.62874%	2.58425%	2.44937%
CILCT	101.023%	0.000%	298,939,983	135,120	0	1.031885728	1.024172189	308,188,017	139,401	0	1.41755%	0.92408%	0.00000%
MET	71.265%	48.713%	21,654,249	13,875	21,167	1.081933170	1.048417800	22,859,392	14,734	22,478	0.10491%	0.09767%	0.11220%
CL1/SL1	585.192%	47.409%	114,415,770	8,928	110,199	1.097988885	1.072937537	122,760,974	9,803	120,997	0.58838%	0.05498%	0.60397%
SL2	100.003%	97.829%	18,858,601	8,010	8,902	1.097988885	1.072937537	20,232,170	9,454	9,664	0.09368%	0.05267%	0.04824%
TOTAL			20,158,076,000	13,761,375	18,236,563			21,598,211,993	15,085,413	20,033,734	100.00%	100.00%	100.00%

**Notes:**

- (1) AVG 12 CP load factor based on actual load research data  
(2) GCP load factor based on actual load research data  
(3) Projected KWH sales for the period October 1998 through December 1998  
(4) Calculated: (Col 3)/(8,760/4) \* Col 1  
(5) Calculated: (Col 3)/(8,760/4) \* Col 2  
(6) Based on 1998 demand losses  
(7) Based on 1998 energy losses  
(8) Col 3 \* Col 7  
(9) Col 1 \* Col 8  
(10) Col 2 \* Col 6  
(11) Col 8 / total for Col 8  
(12) Col 9 / total for Col 9  
(13) Col 10 / total for Col 10

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of Environmental Cost Recovery Clause Factors**  
**October 1998 to December 1998**

Rate Class	(1) Percentage of KWH Sales at Generation (%)	(2) Percentage of 12 CP Demand at Generation (%)	(3) Percentage of GCP Demand at Generation (%)	(4) Energy Related Cost (\$)	(5) CP Demand Related Cost (\$)	(6) GCP Demand Related Cost (\$)	(7) Total Environmental Costs (\$)	(8) Projected Sales at Meter (KWH)	(9) Environmental Cost Recovery Factor (\$/KWH)
RS1	53.44014%	61.40725%	61.99288%	\$757,930	\$1,056,106	\$1,098,054	\$2,912,090	10,757,489,328	0.00027
GS1	8.18855%	6.12259%	6.83671%	\$87,771	\$105,298	\$121,098	\$314,165	1,245,753,454	0.00025
GSD1	22.61504%	19.07073%	19.05424%	\$320,753	\$327,986	\$337,500	\$986,239	4,552,553,947	0.00022
OS2	0.02630%	0.01501%	0.16390%	\$373	\$258	\$2,903	\$3,534	5,428,241	0.00065
GSLD1/CS1	9.28767%	7.52449%	7.32795%	\$131,725	\$129,409	\$129,797	\$390,931	1,870,233,674	0.00021
GSLD2/CS2	1.77619%	1.33493%	1.32962%	\$25,191	\$22,959	\$23,551	\$71,701	359,236,754	0.00020
GSLD3/CS3	0.77212%	0.58566%	0.00000%	\$10,951	\$10,072	\$0	\$21,023	162,827,736	0.00013
ISST1D	0.00080%	0.00034%	0.00323%	\$11	\$8	\$57	\$74	161,475	0.00048
SST1T	0.10975%	0.16824%	0.00000%	\$1,557	\$2,893	\$0	\$4,450	23,144,195	0.00019
SST1D	0.06959%	0.03714%	0.07788%	\$987	\$639	\$1,379	\$3,005	14,248,035	0.00021
CILC DICILC G	3.52674%	2.58425%	2.44937%	\$50,047	\$44,445	\$43,385	\$137,877	713,134,359	0.00019
CILC T	1.41755%	0.92402%	0.00000%	\$20,105	\$15,693	\$0	\$35,998	298,939,963	0.00012
MET	0.10491%	0.09767%	0.11220%	\$1,188	\$1,680	\$1,687	\$5,155	21,654,249	0.00024
OL1/SL1	0.56838%	0.06498%	0.60397%	\$8,061	\$1,118	\$10,698	\$19,877	114,415,770	0.00017
SL2	0.09368%	0.06267%	0.04824%	\$1,329	\$1,078	\$954	\$3,361	18,858,801	0.00017
<b>TOTAL</b>				<b>\$1,418,279</b>	<b>\$1,719,840</b>	<b>\$1,771,261</b>	<b>\$4,909,380</b>	<b>20,158,076,001</b>	<b>0.00024</b>

Notes: There are currently no customers taking service on Schedule ISST1(T). Should any customer begin taking service on this schedule during the period, they will be billed using the ISST(D) Factor.

(1) From Form 42-6P, Col 11

(2) From Form 42-6P, Col 12

(3) From Form 42-6P, Col 13

(4) Total Energy \$ from Form 42-1P, Line 5 x Col 1

(5) Total CP Demand \$ from Form 42-1P, Line 5 x Col 2

(6) Total GCP Demand \$ from Form 42-1P, Line 5 x Col 3

(7) Col 4 + Col 5 + Col 6

(8) Projected KWH sales for the period October 1998 through December 1998

(9) Col 7 / Col 8 x 100

**APPENDIX II**

**ENVIRONMENTAL COST RECOVERY  
COMMISSION FORMS 42-1E THROUGH 42-8E  
CURRENT (ESTIMATED/ACTUAL) PERIOD  
OCTOBER 1997 - SEPTEMBER 1998**

**KMD-2  
DOCKET NO. 980007-EI  
FPL WITNESS: K. M. DUBIN  
EXHIBIT \_\_\_\_\_**

**PAGES 1- 32  
JUNE 22, 1998**

Florida Power & Light Company  
Environmental Cost Recovery Clause  
 Calculation of the Estimated/Actual True-up for the 12 Month Period  
 October 1997 through September 1998

Line  
No.

<u>Period ending March 31, 1998</u>		
1	Over/(Under) Recovery for the Current Period (Form 42-2E, Page 1 of 2, Line 5)	(\$423,048)
2	Interest Provision (Form 42-2E, Page 1 of 2, Line 6)	31,060
3	True-Up for the period	(\$391,988)
<u>Period ending September 30, 1998</u>		
4	Over/(Under) Recovery for the Current Period (Form 42-2E, Page 2 of 2, Line 5)	(\$531,485)
5	Interest Provision (Form 42-2E, Page 2 of 2, Line 6)	(2,756)
6	True-Up for the period	(\$534,241)
7	Estimated/Actual True-Up to be refunded/(recovered) in January 1999 through December 1999 Period	(\$926,229)

( ) Reflects Underrecovery

Florida Power & Light Company  
Environmental Cost Recovery Clause  
Calculation of the Estimated/Actual True-up Amount for the Period  
October 1997 through March 1998

Line No.	Actual October	Actual November	Actual December	Actual January	Actual February	Actual March	End of Period Amount
1	\$1,927,193	\$1,688,325	\$1,609,762	\$1,727,670	\$1,545,022	\$1,548,742	\$10,048,713
2	(172,307)	(172,307)	(172,307)	(172,307)	(172,307)	(172,307)	(1,033,842)
3	1,754,886	1,516,018	1,437,455	1,555,363	1,372,715	1,376,435	9,012,871
4	Jurisdictional ECRC Costs						
a	706,664	692,438	1,115,030	645,032	2,467,117	975,890	6,602,171
b	489,757	468,715	471,556	475,458	474,847	473,415	2,633,748
c	1,178,421	1,161,153	1,586,586	1,120,490	2,941,964	1,449,305	9,435,919
5	578,465	354,865	(149,131)	434,873	(1,569,249)	(72,870)	(423,048)
6	2,148	5,133	6,580	8,010	6,075	3,136	31,060
7	(2,067,684)	(1,314,766)	(782,461)	(752,725)	(137,535)	(1,528,402)	(2,067,684)
a	2,157,919	2,157,919	2,157,919	2,157,919	2,157,919	2,157,919	2,157,919
8	172,307	172,307	172,307	172,307	172,307	172,307	1,033,842
9	843,153	1,375,458	1,405,194	2,020,384	629,517	732,090	732,090
10	Adjustments to Period Total True-Up Including Interest						
11	\$843,153	\$1,375,458	\$1,405,194	\$2,020,384	\$629,517	\$732,090	\$732,090

Florida Power & Light Company  
Environmental Cost Recovery Clause  
Calculation of the Estimated/Actual True-up Amount for the Period  
April 1998 through September 1998

Line No.	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Period Amount
1	\$1,588,965	\$1,089,517	\$1,967,124	\$2,045,998	\$2,098,730	\$2,104,016	\$11,494,348
2	(172,307)	(172,307)	(172,307)	(172,307)	(172,307)	(172,307)	(1,033,842)
3	1,416,658	1,497,210	1,814,817	1,873,689	1,926,423	1,931,709	10,460,506
4	Jurisdictional ECRC Costs						
a	1,592,994	968,033	957,211	969,017	945,405	978,295	6,408,955
b	1,765,142	551,638	553,244	564,942	572,755	575,315	4,583,038
c	3,358,136	1,519,671	1,510,455	1,533,959	1,518,160	1,551,610	10,991,991
5	(1,941,478)	(22,461)	304,362	339,730	408,263	380,099	(531,485)
6	(701)	(4,425)	(2,988)	(746)	1,755	4,359	(2,756)
7	(1,033,842)	(2,803,714)	(2,858,293)	(2,184,822)	(1,673,331)	(1,081,006)	(1,033,842)
a	Deferred True-Up from April 1997 to March 1998 (Form 42-1A, Line 9)						
	1,765,931	1,765,931	1,765,931	1,765,931	1,765,931	1,765,931	1,765,931
8	172,307	172,307	172,307	172,307	172,307	172,307	1,033,842
9	(1,037,783)	(692,362)	(418,691)	92,600	674,925	1,231,690	1,231,690
10	Adjustments to Period Total True-Up Including Interest						
11	(\$1,037,783)	(\$692,362)	(\$418,691)	\$92,600	\$674,925	\$1,231,690	\$1,231,690



Florida Power & Light Company  
Environmental Cost Recovery Clause  
Calculation of the Estimated/Actual True-up Amount for the Period  
October 1997 through March 1998

Interest Provision (in Dollars)

Line No.	Actual October	Actual November	Actual December	Actual January	Actual February	Actual March	End of Period Amount
1 Beginning True-Up Amount (Form 42-2A, Lines 7 + 7a + 10)	\$90,235	\$843,153	\$1,375,458	\$1,405,194	\$2,020,384	\$629,517	\$6,363,941
2 Ending True-Up Amount before Interest (Line 1 + Form 42-2A, Lines 5 + 8)	841,007	1,370,325	1,398,834	2,012,374	623,442	728,954	6,974,736
3 Total of Beginning & Ending True-Up (Lines 1 + 2)	\$931,242	\$2,213,478	\$2,774,092	\$3,417,568	\$2,643,826	\$1,358,471	\$13,338,677
4 Average True-Up Amount (Line 3 x 1/2)	\$465,621	\$1,106,739	\$1,387,046	\$1,708,784	\$1,321,913	\$679,236	\$6,669,339
5 Interest Rate (First Day of Reporting Month)	5.53000%	5.53000%	5.90000%	5.75000%	5.50000%	5.53000%	N/A
6 Interest Rate (First Day of Subsequent Month)	5.53000%	5.60000%	5.75000%	5.50000%	5.53000%	5.55000%	N/A
7 Total of Beginning & Ending Interest Rates (Lines 5 + 6)	11.06000%	11.13000%	11.35000%	11.25000%	11.03000%	11.08000%	N/A
8 Average Interest Rate (Line 7 x 1/2)	5.53000%	5.56500%	5.67500%	5.62500%	5.51500%	5.54000%	N/A
9 Monthly Average Interest Rate (Line 8 x 1/12)	0.46083%	0.46375%	0.47292%	0.46875%	0.45958%	0.46167%	N/A
10 Interest Provision for the Month (Line 4 x Line 9)	\$2,146	\$5,133	\$8,560	\$8,010	\$6,075	\$3,136	\$31,060

Florida Power & Light Company  
Environmental Cost Recovery Clause  
Calculation of the Estimated/Actual True-up Amount for the Period  
April 1998 through September 1998

Interest Provision (in Dollars)

Line No.	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	End of Period Amount
	April	May	June	July	August	September	
1 Beginning True-Up Amount (Form 42-2A, Lines 7 + 7a + 10)	\$732,089	(\$1,037,763)	(\$892,362)	(\$418,691)	\$92,600	\$674,925	(\$649,222)
2 Ending True-Up Amount before Interest (Line 1 + Form 42-2A, Lines 6 + 8)	(1,037,082)	(887,937)	(415,693)	93,348	673,170	1,227,331	(346,865)
3 Total of Beginning & Ending True-Up (Lines 1 + 2)	(\$304,993)	(\$1,925,720)	(\$1,308,055)	(\$325,343)	\$765,770	\$1,902,256	(\$1,198,067)
4 Average True-Up Amount (Line 3 x 1/2)	(\$152,497)	(\$962,860)	(\$654,028)	(\$162,673)	\$382,885	\$951,128	(\$598,044)
5 Interest Rate (First Day of Reporting Month)	5.50000%	5.53000%	5.50000%	5.50000%	5.50000%	5.50000%	N/A
6 Interest Rate (First Day of Subsequent Month)	5.53000%	5.50000%	5.50000%	5.50000%	5.50000%	5.50000%	N/A
7 Total of Beginning & Ending Interest Rates (Lines 5 + 6)	11.03000%	11.03000%	11.00000%	11.00000%	11.00000%	11.00000%	N/A
8 Average Interest Rate (Line 7 x 1/2)	5.51500%	5.51500%	5.50000%	5.50000%	5.50000%	5.50000%	N/A
9 Monthly Average Interest Rate (Line 8 x 1/12)	0.45958%	0.45958%	0.45833%	0.45833%	0.45833%	0.45833%	N/A
10 Interest Provision for the Month (Line 4 x Line 9)	(\$701)	(\$4,425)	398	(\$746)	\$1,755	\$4,359	(\$2,756)

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
 Calculation of the Estimated/Actual True-Up Amount for the Period  
 October 1997 - September 1998

Variance Report of O&M Activities  
 (in Dollars)

Line	(1) Estimated Actual	(2) Original Projections	(3) Variance Amount	(4) Percent
1 Description of O&M Activities				
1 Air Operating Permit Fees-O&M	\$1,923,687	\$1,869,105	\$54,582	2.9%
3a Continuous Emission Monitoring Systems-O&M	\$582,314	\$580,000	\$2,314	0.4%
4a Clean Closure Equivalency-O&M	\$0	\$0	\$0	0.0%
5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	\$1,909,752	\$1,650,000	\$259,752	15.7%
5c Maintenance of Stationary Above Ground Fuel Storage Tanks-Spill Abatement	\$0	\$0	\$0	0.0%
8a Oil Spill Cleanup/Response Equipment-O&M	\$389,481	\$411,000	(\$21,519)	-5.2%
9 Low-Level Radioactive Waste Access Fees-O&M	\$0	\$0	\$0	0.0%
13 RCRA Corrective Action-O&M	\$352,835	\$418,000	(\$65,165)	-15.6%
14 NPDES Permit Fees-O&M	\$129,543	\$115,000	\$14,543	12.6%
17a Disposal of Noncontainerized Liquid Waste-O&M	\$345,282	\$255,000	\$90,282	35.4%
19a Substation Pollutant Discharge Prevention & Removal - Distribution - O&M	\$6,045,696	\$7,380,804	(\$1,335,108)	-18.1%
19b Substation Pollutant Discharge Prevention & Removal - Transmission - O&M	\$2,066,439	\$1,961,988	\$104,451	5.3%
19c Substation Pollutant Discharge Prevention & Removal - Costs Included in Base Rates	(\$560,232)	(\$560,232)	\$0	100.0%
2 Total O&M Activities	\$13,184,797	\$14,080,665	(\$895,868)	-6.4%
3 Recoverable Costs Allocated to Energy	\$3,378,174	\$3,244,480	\$133,694	4.1%
4a Recoverable Costs Allocated to CP Demand	\$4,041,043	\$3,735,497	\$305,546	8.2%
4b Recoverable Costs Allocated to GCP Demand	\$5,765,580	\$7,100,688	(\$1,335,108)	-18.6%

## Notes:

Column(1) is the End of Period Totals on Form 42-5E

Column(2) is the approved projected amount in accordance with  
FPSC Order No. PSC-97-1047-FOF-EI

Column(3) = Column(1) - Column(2)

Column(4) = Column(3) / Column(2)

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Estimated/Actual True-Up Amount for the Period**  
**October 1997 - September 1998**

O&M Activities  
(in Dollars)

Line	Actual OCT	Actual NOV	Actual DEC	Actual JAN	Actual FEB	Actual MAR	End 6-Month Sub-Total
1 Description of O&M Activities							
1 Air Operating Permit Fees-O&M	\$ 4,773	\$ 4,773	\$ 4,773	\$ 4,773	\$ 1,870,298	\$ 5,216	\$ 1,894,606
3a Continuous Emission Monitoring Systems-O&M	13,928	82,334	121,046	9,317	60,845	24,193	311,463
4a Clean Closure Equivalency-O&M	0	0	0	0	0	0	0
5a Maintenance of Stationary Above Ground Fuel Storage Tanks-O&M	233,325	185,581	179,049	87,881	128,645	123,141	937,622
5c Maintenance of Stationary Above Ground Fuel Storage Tanks-Spill Abatement	0	0	0	0	0	0	0
8a Oil Spill Cleanup/Response Equipment-O&M	21,263	46,671	39,720	97,031	6,471	(11,624)	199,532
9 Low-Level Radioactive Waste Access Fees-O&M	0	0	0	0	0	0	0
13 RCRA Corrective Action-O&M	147,923	55,021	156,399	(13,324)	19,523	(15,208)	350,334
14 NPDES Permit Fees-O&M	0	0	0	124,400	0	0	130,400
17a Disposal of Noncontainerized Liquid Waste-O&M	39,420	39,107	54,690	12,744	34,383	28,805	206,949
19a Substation Pollutant Discharge Prevention & Removal - Distribution - O&M	290,313	289,302	344,307	198,065	321,904	699,364	2,143,255
19b Substation Pollutant Discharge Prevention & Removal - Transmission - O&M	14,397	46,774	262,024	182,909	110,635	557	810,296
19c Substation Pollutant Discharge Prevention & Removal - Costs Included in Base Rates	(46,686)	(46,686)	(46,686)	(46,686)	(46,686)	(46,686)	(280,116)
2 Total of O&M Activities	\$ 718,666	\$ 702,677	\$ 1,135,322	\$ 657,110	\$ 2,505,818	\$ 984,558	\$ 6,704,341
3 Recoverable Costs Allocated to Energy	\$ 78,695	\$ 174,687	\$ 240,127	\$ 136,139	\$ 1,976,511	\$ 55,945	\$ 2,664,104
4a Recoverable Costs Allocated to CP Demand	\$ 372,991	\$ 262,231	\$ 574,231	\$ 348,219	\$ 228,746	\$ 252,592	\$ 2,037,040
4b Recoverable Costs Allocated to GCP Demand	\$ 266,970	\$ 265,959	\$ 320,964	\$ 174,722	\$ 298,561	\$ 676,021	\$ 2,003,197
5 Retail Energy Jurisdictional Factor	98.38318%	98.38318%	98.38318%	98.38318%	98.38318%	98.38318%	
6a Retail CP Demand Jurisdictional Factor	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	
6b Retail GCP Demand Jurisdictional Factor	99.89826%	99.89826%	99.89826%	99.89826%	99.89826%	99.89826%	
7 Jurisdictional Energy Recoverable Costs (A)	\$ 77,423	\$ 171,863	\$ 236,245	\$ 133,938	\$ 1,946,522	\$ 55,040	\$ 2,621,031
8a Jurisdictional CP Demand Recoverable Costs (B)	\$ 362,544	\$ 254,886	\$ 558,148	\$ 336,551	\$ 222,339	\$ 245,517	\$ 1,979,985
8b Jurisdictional GCP Demand Recoverable Costs (C)	\$ 266,696	\$ 265,688	\$ 320,637	\$ 174,544	\$ 298,257	\$ 675,333	\$ 2,001,157
9 Total Jurisdictional Recoverable Costs for O&M Activities	\$ 706,665	\$ 692,437	\$ 1,115,030	\$ 645,033	\$ 2,467,118	\$ 975,890	\$ 6,602,173

Notes:

- (A) Line 3 x Line 5
- (B) Line 4a x Line 6a
- (C) Line 4b x Line 6b

Totals may not tie due to rounding.

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
 Calculation of the Estimated/Actual T as-Up Amount for the Period  
**October 1997 - September 1998**

O&M Activities  
(in Dollars)

Line	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	6-Month	12-Month	Method of Classification			
	APR	MAY	JUN	JUL	AUG	SEP	Sub-Total	Total	CP Demand	GCP Demand	Energy	
1	Description of O&M Activities											
1	\$ 5,216	\$ 4,773	\$ 4,773	\$ 4,773	\$ 4,773	\$ 4,773	\$ 29,081	\$ 1,923,687			\$ 1,923,687	
3a	27,551	31,000	45,000	78,000	47,000	44,000	270,551	582,314			582,314	
4a	0	0	0	0	0	0	0	0				
5a	172,130	150,000	150,000	150,000	150,000	200,000	972,130	1,909,752	1,909,752			
5c	0	0	0	0	0	0	0	0				
8a	1,949	65,000	45,000	26,000	26,000	26,000	189,949	389,481			389,481	
9	0	0	0	0	0	0	0	0				
13	2,501	0	0	0	0	0	2,501	352,835	352,835			
14	(857)	0	0	0	0	0	(857)	129,543	129,543			
17a	38,333	25,000	20,000	20,000	25,000	10,000	138,333	345,282			345,282	
19a	942,346	592,019	592,019	592,019	592,019	592,019	3,902,441	6,045,696		6,045,696		
19b	469,263	157,372	157,372	157,372	157,372	157,372	1,256,143	2,068,439	1,907,462		158,957	
19c	(46,686)	(46,686)	(46,686)	(46,686)	(46,686)	(46,686)	(280,116)	(560,232)	(268,569)	(280,116)	(21,547)	
2	\$ 1,612,066	\$ 976,478	\$ 967,478	\$ 979,478	\$ 956,478	\$ 967,178	\$ 6,460,456	\$ 13,184,797	\$ 4,041,043	\$ 5,765,580	\$ 3,378,174	
3	\$ 107,652	\$ 136,083	\$ 126,083	\$ 137,083	\$ 113,083	\$ 95,083	\$ 714,066	\$ 3,378,174				
4a	\$ 585,411	\$ 273,719	\$ 273,719	\$ 273,719	\$ 273,719	\$ 323,719	\$ 2,004,007	\$ 4,041,043				
4b	\$ 919,003	\$ 568,676	\$ 568,676	\$ 568,676	\$ 568,676	\$ 568,676	\$ 3,762,383	\$ 5,765,580				
5	98.38318%	98.38318%	98.38318%	98.38318%	98.38318%	98.38318%						
6a	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%						
6b	99.89826%	99.89826%	99.89826%	99.89826%	99.89826%	99.89826%						
7	\$ 105,911	\$ 133,863	\$ 123,061	\$ 134,867	\$ 111,255	\$ 93,546	\$ 702,523	\$ 3,323,554				
8a	\$ 569,015	\$ 268,053	\$ 268,053	\$ 268,053	\$ 268,053	\$ 314,652	\$ 1,947,879	\$ 3,927,864				
8b	\$ 918,066	\$ 568,097	\$ 568,097	\$ 568,097	\$ 568,097	\$ 568,097	\$ 3,756,553	\$ 5,759,710				
9	\$ 1,592,994	\$ 988,033	\$ 957,211	\$ 989,017	\$ 945,405	\$ 976,295	\$ 6,408,955	\$ 13,011,128				

Notes:  
 (A) Line 3 x Line 5  
 (S) Line 4a x Line 6a  
 (C) Line 4b x Line 6b

Totals may not tie due to rounding.

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Estimated/Actual True-Up Amount for the Period**  
**October 1997 - September 1998**

**Variance Report of Capital Investment Projects-Recoverable Costs**  
**(in Dollars)**

Line	(1)	(2)	(3)		(4)
	Estimated Actual	Original Projections	Variance		Percent
			Amount		
1 Description of Investment Projects					
2 Low NOx Burner Technology-Capital	\$ 3,695,746	\$ 2,565,060	\$ 1,130,686		44.1%
3b Continuous Emission Monitoring Systems-Capital	2,339,619	1,947,041	392,578		20.2%
4b Clean Closure Equivalency-Capital	9,467	7,827	1,640		21.0%
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	1,346,044	1,323,443	22,601		1.7%
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	3,944	3,959	(15)		-0.4%
8b Oil Spill Cleanup/Response Equipment-Capital	124,658	129,447	(4,789)		-3.7%
10 Relocate Storm Water Runoff-Capital	14,868	14,928	(60)		-0.4%
NA SO2 Allowances-Negative Return on Investment	(132,639)	(115,896)	(16,740)		14.4%
12 Scherer Discharge Pipeline-Capital	110,751	111,182	(431)		-0.4%
17b Disposal of Noncontainerized Liquid Waste-Capital	44,595	44,772	(177)		-0.4%
2 Total Investment Projects-Recoverable Costs	\$ 7,557,053	\$ 6,031,760	\$ 1,525,293		25.3%
3 Recoverable Costs Allocated to Energy	\$ 6,029,979	\$ 4,522,016	\$ 1,507,963		33.3%
4 Recoverable Costs Allocated to Demand	\$ 1,527,074	\$ 1,509,744	\$ 17,330		1.1%

## Notes:

Column(1) is the End of Period Totals on Form 42-7E

Column(2) is the approved projected amount in accordance with  
FPSC Order No. PSC-97-1047-FOF-EI

Column(3) = Column(1) - Column(2)

Column(4) = Column(3) / Column(2)

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of the Estimated/Actual True-Up Amount for the Period**  
**October 1997 - September 1998**

Capital Investment Projects-Recoverable Costs  
(In Dollars)

Line	Actual OCT	Actual NOV	Actual DEC	Actual JAN	Actual FEB	Actual MAR	6-Month Sub-Total
1 Description of Investment Projects (A)							
2 Low NOx Burner Technology-Capital	\$216,583	\$215,936	\$215,288	\$214,640	\$213,993	\$213,345	\$1,269,785
3b Continuous Emission Monitoring Systems-Capital	163,554	163,431	163,096	162,897	162,706	162,214	977,898
4b Clean Closure Equivalency-Capital	659	658	656	655	652	651	3,931
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	83,797	83,605	87,625	91,980	92,114	91,803	531,024
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	333	333	332	330	330	329	1,987
8b Oil Spill Cleanup/Response Equipment-Capital	10,192	10,123	10,052	10,600	10,720	10,646	62,333
10 Relocate Storm Water Runoff-Capital	1,253	1,250	1,247	1,246	1,243	1,240	7,479
NA SO2 Allowances-Negative Return on Investment	(10,784)	(10,784)	(10,784)	(10,784)	(10,784)	(10,784)	(64,704)
12 Scherer Discharge Pipeline-Capital	9,340	9,320	9,300	9,280	9,260	9,239	55,739
17 Disposal of NonContainerized Liquid Waste-Capital	3,766	3,757	3,749	3,739	3,730	3,721	22,462
2 Total Investment Projects - Recoverable Costs	\$ 478,693	\$ 477,629	\$ 480,561	\$ 484,583	\$ 483,964	\$ 482,504	\$2,887,934
3 Recoverable Costs Allocated to Energy	\$ 377,764	\$ 376,972	\$ 376,288	\$ 375,816	\$ 374,996	\$ 373,830	\$ 2,255,666
4 Recoverable Costs Allocated to Demand	\$ 100,929	\$ 100,657	\$ 104,273	\$ 108,767	\$ 108,968	\$ 108,674	\$ 632,268
5 Retail Energy Jurisdictional Factor	98.38318%	98.38318%	98.38318%	98.38318%	98.38318%	98.38318%	
6 Retail Demand Jurisdictional Factor	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	
7 Jurisdictional Energy Recoverable Costs (B)	\$ 371,656	\$ 370,877	\$ 370,204	\$ 369,740	\$ 368,933	\$ 367,786	\$ 2,219,196
8 Jurisdictional Demand Recoverable Costs (C)	\$ 98,102	\$ 97,838	\$ 101,353	\$ 105,721	\$ 105,916	\$ 105,630	\$ 614,560
9 Total Jurisdictional Recoverable Costs for Investment Projects	\$ 469,758	\$ 468,715	\$ 471,557	\$ 475,461	\$ 474,849	\$ 473,416	\$ 2,833,756

Notes:

- (A) Each project's Total System Recoverable Expenses on Form 42-8E, Line 9
- (B) Line 3 x Line 5
- (C) Line 4 x Line 6

Totals may not add due to rounding.

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
 Calculation of the Estimated/Actual True-Up Amount for the Period  
 October 1997 - September 1998

Capital Investment Projects-Recoverable Costs  
 (In Dollars)

Line	Actual APR	Estimated MAY	Estimated JUN	Estimated JUL	Estimated AUG	Estimated SEP	6-Month Sub-Total	End of Period Total	Method of Classification	
									Demand	Energy
1 Description of Investment Projects (A)										
2 Low NOx Burner Technology-Capital	\$1,102,368	\$263,114	\$261,916	\$280,719	\$259,522	\$258,324	\$2,405,961	\$3,695,746	-	\$3,695,746
3b Continuous Emission Monitoring Systems-Capital	472,401	179,232	178,548	177,864	177,180	176,496	\$1,361,721	\$2,339,619	-	2,339,619
4b Clean Closure Equivalency-Capital	1,951	722	720	717	714	712	\$5,536	\$9,467	8,739	728
5b Maintenance of Stationary Above Ground Fuel Storage Tanks-Capital	205,731	104,908	109,037	123,539	133,581	138,224	\$815,020	\$1,346,044	1,242,502	103,542
7 Relocate Turbine Lube Oil Underground Piping to Above Ground-Capital	328	327	327	326	325	324	\$1,957	\$3,944	3,641	303
8b Oil Spill Cleanup/Response Equipment-Capital	10,572	10,498	10,424	10,351	10,277	10,203	\$62,325	\$124,658	115,069	9,589
10 Relocate Storm Water Runoff-Capital	1,238	1,235	1,233	1,230	1,228	1,225	\$7,389	\$14,868	13,724	1,144
NA SO2 Allowances-Negative Return on Investment	(10,784)	(10,784)	(11,246)	(11,707)	(11,707)	(11,707)	(\$67,935)	(\$132,639)	-	(132,639)
12 Scherer Discharge Pipeline-Capital	9,220	9,169	9,179	9,150	9,138	9,118	\$55,012	\$110,751	102,232	8,519
17 Disposal of Noncontainerized Liquid Waste-Capital	3,712	3,703	3,693	3,684	3,675	3,666	\$22,133	\$44,595	41,165	3,430
2 Total Investment Projects - Recoverable Costs	\$ 1,796,735	\$ 562,154	\$ 563,831	\$ 575,861	\$ 583,933	\$ 586,595	\$ 4,669,119	\$7,557,053	\$1,527,072	\$6,029,981
3 Recoverable Costs Allocated to Energy	\$ 1,581,898	\$ 441,809	\$ 439,572	\$ 438,337	\$ 437,221	\$ 435,688	\$ 3,774,313	\$ 6,029,979		
4 Recoverable Costs Allocated to Demand	\$ 214,849	\$ 120,545	\$ 124,259	\$ 137,544	\$ 146,712	\$ 150,897	\$ 894,806	\$ 1,527,074		
5 Retail Energy Jurisdictional Factor	98.38318%	98.38318%	98.38318%	98.38318%	98.38318%	98.38318%				
6 Retail Demand Jurisdictional Factor	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%	97.19921%				
7 Jurisdictional Energy Recoverable Costs (B)	\$ 1,556,310	\$ 434,469	\$ 432,465	\$ 431,250	\$ 430,152	\$ 428,644	\$ 3,713,290	\$ 5,932,466		
8 Jurisdictional Demand Recoverable Costs (C)	\$ 208,832	\$ 117,169	\$ 120,779	\$ 133,692	\$ 142,603	\$ 146,871	\$ 889,746	\$ 1,484,306		
9 Total Jurisdictional Recoverable Costs for Investment Projects	\$ 1,765,142	\$ 551,638	\$ 553,244	\$ 564,942	\$ 572,755	\$ 575,315	\$ 4,583,036	\$ 7,416,792		

## Notes:

(A) Each project's Total System Recoverable Expenses on Form 42-8E, Line 9

(B) Line 3 x Line 5

(C) Line 4 x Line 6

Totals may not add due to rounding.



**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1997 through March 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Low NOx Burner Technology (Project No. 2)  
(in \$000)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	n/a
3. Less: Accumulated Depreciation (B)	1,710,009	1,780,180	1,850,351	1,920,522	1,990,694	2,060,865	2,131,036	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$15,901,459	\$15,831,288	\$15,761,117	\$15,690,945	\$15,620,774	\$15,550,603	\$15,480,432	n/a
6. Average Net Investment		15,866,372	15,796,202	15,726,031	15,655,860	15,585,689	15,515,518	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		102,190	101,738	101,286	100,834	100,382	99,930	606,359
b. Debt Component (Line 6 x 3.3446% x 1/12)		44,222	44,027	43,831	43,635	43,440	43,244	262,400
8. Investment Expenses								
a. Depreciation (D)		70,171	70,171	70,171	70,171	70,171	70,171	421,027
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$216,583	\$215,936	\$215,288	\$214,640	\$213,993	\$213,345	\$1,289,786

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate rate and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Evodia Power & Light Company**  
**Environmental Coal Recovery Clause**  
**For the Period April 1998 through September 1998**

Return on Capital Investments, Depreciation and Taxes  
 For Project: Low NOx Burner Technology (Project No. 21  
 in Osburn)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
<b>1. Investments</b>								
a. Expenditures/Additions		80	80	80	80	80	80	80
b. Clearings for Plant								
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	17,611,468	n/a
3. Less: Accumulated Depreciation (B)	2,131,036	3,094,998	3,224,756	3,354,514	3,484,271	3,614,028	3,743,785	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	15,480,432	14,516,470	14,386,711	14,256,954	14,127,197	13,997,440	13,867,683	n/a
6. Average Net Investment		14,998,450	14,451,591	14,321,833	14,192,076	14,062,318	13,932,561	
7. Return on Average Net Investment		98,600	93,078	92,242	91,406	90,570	89,735	1,159,989
a. Equity Component (grossed up for taxes) (C)		41,803	40,279	39,917	39,556	39,194	38,832	501,982
b. Debt Component (Line 6 x 3.3446% x 1/12)		129,757	129,757	129,757	129,757	129,757	129,757	1,199,570
8. Investment Expenses		834,205						834,205
a. Depreciation (D)								
b. Amortization								
c. Disbursement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)								
		81,102,350	726,174	726,316	726,719	725,522	725,324	1,199,745

Notes:  
 (A) N/A  
 (B) N/A  
 (C) The gross-up factor for taxes uses 0.61426, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.2474% reflects a 12% return on equity.  
 (D) Depreciation expense is calculated using the appropriate rate and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.  
 (E) Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.  
 (F) Adjustment to record implementation of the proposed depreciation rates at six steam generation sites, on a preliminary basis as of January 1, 1997. In accordance with Order No. PSC-97-1015-PCO-EI

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1997 through March 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Continuous Emissions Monitoring (Project No. 3b)  
(In Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$50,612	\$34,904	(\$1,420)	\$29,434	\$0	(\$150)	\$113,380
c. Retirements		(\$63,149)	(\$50,158)		(\$33,438)			(\$146,745)
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$13,538,495	13,525,958	13,510,705	13,509,284	13,505,280	13,505,280	13,505,130	n/a
3. Less: Accumulated Depreciation (B)	1,541,863	1,531,585	1,534,081	1,586,922	1,606,348	1,659,498	1,712,497	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$11,996,632	\$11,994,373	\$11,976,624	\$11,922,362	\$11,898,932	\$11,845,782	\$11,792,633	n/a
6. Average Net Investment		11,995,502	11,985,498	11,949,493	11,910,647	11,872,357	11,819,208	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		77,259	77,194	76,962	76,712	76,466	76,123	480,717
b. Debit Component (Line 6 x 3.3446% x 1/12)		33,433	33,406	33,305	33,197	33,090	32,942	199,374
8. Investment Expenses								
a. Depreciation (D)		52,862	52,831	52,829	52,988	53,150	53,149	317,808
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$163,554	\$163,431	\$163,096	\$162,897	\$162,706	\$162,214	\$977,899

Notes:

(A) N/A

(B) Reserve reflects retirements of (\$63,149) in October, (\$50,158) in November and (\$33,438) in January.

Reserve reflects cost of removal of (-\$98), (\$178), (-\$12), (\$123) and (\$150) for October, November, December, January and March, respectively.

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April 1998 through September 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Continuous Emissions Monitoring (Project No. 3)  
(in Dollars)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								\$0
2. Plant-In-Service/Depreciation Base	\$13,505,130	13,505,130	13,505,130	13,505,130	13,505,130	13,505,130	13,505,130	n/a
3. Less: Accumulated Depreciation (B)	1,712,497	2,077,763	2,151,888	2,226,012	2,300,137	2,374,262	2,448,388	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$11,792,633	\$11,427,367	\$11,353,242	\$11,279,117	\$11,204,993	\$11,130,868	\$11,056,744	n/a
6. Average Net Investment		11,609,999	11,390,304	11,316,180	11,242,055	11,167,931	11,093,806	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		74,776	73,361	72,884	72,406	71,929	71,451	897,523
b. Debt Component (Line 6 x 3.3446% x 1/12)		32,359	31,747	31,540	31,333	31,127	30,920	388,400
8. Investment Expenses								
a. Depreciation (D)		74,125	74,125	74,125	74,125	74,125	74,125	762,556
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)		291,142						291,142
9. Total System Recoverable Expenses (Lines 7 & 8)		\$472,401	\$179,232	\$178,548	\$177,864	\$177,180	\$176,496	\$2,339,619

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) Adjustment to record implementation of the proposed depreciation rates at six steam generation sites, on a preliminary basis as of January 1, 1997, in accordance with Order No. PSC-97-1015-PCO-EI.

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1997 through March 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Clean Closure Equivalency (Project No. 4b)  
(in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$58,866	58,866	58,866	58,866	58,866	58,866	58,866	n/a
3. Less: Accumulated Depreciation (B)	7,669	7,857	8,045	8,233	8,420	8,608	8,796	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$51,197	\$51,009	\$50,821	\$50,633	\$50,445	\$50,258	\$50,070	n/a
6. Average Net Investment		51,103	50,915	50,727	50,539	50,352	50,164	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		329	328	327	326	324	323	1,957
b. Debt Component (Line 6 x 3.3446% x 1/12)		142	142	141	141	140	140	847
8. Investment Expenses								
a. Depreciation (D)		188	188	188	188	188	188	1,127
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$659	\$658	\$656	\$655	\$652	\$651	\$3,930

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April 1998 through September 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Clean Closure Equivalency (Project No. 4b)  
(in Dollars)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
<b>1. Investments</b>								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$58,866	58,866	58,866	58,866	58,866	58,866	58,866	n/a
3. Less: Accumulated Depreciation (B)	8,796	10,293	10,567	10,842	11,117	11,392	11,667	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$50,070	\$48,573	\$48,299	\$48,024	\$47,749	\$47,474	\$47,199	n/a
6. Average Net Investment		49,321	48,436	48,161	47,886	47,611	47,336	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		318	312	310	308	307	306	3,817
b. Debt Component (Line 6 x 3.3446% x 1/12)		137	135	134	133	133	132	1,652
8. Investment Expenses								
a. Depreciation (D)								
b. Amortization		275	275	275	275	275	275	2,778
c. Dismantlement								
d. Property Expenses								
e. Other (E)		1,222						1,222
9. Total System Recoverable Expenses (Lines 7 & 8)		\$1,951	\$722	\$720	\$717	\$714	\$712	\$9,467

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) Adjustment to record implementation of the proposed depreciation rates at six steam generation sites, on a preliminary basis as of January 1, 1997, in accordance with Order No. PSC-97-1015-PCO-EI.

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1997 through March 1998

Return on Capital Investment, Depreciation and Taxes  
For Project: Maintenance of Above Ground Storage Tanks (Project No. 5b)  
(in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$699,123	\$57,012	\$119	\$0	\$756,254
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$7,007,785	7,007,785	7,007,785	7,706,908	7,763,920	7,764,039	7,764,039	n/a
3. Less: Accumulated Depreciation (B)	165,083	185,832	206,581	228,321	251,131	274,022	296,914	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$6,842,702	\$6,821,953	\$6,801,204	\$7,478,587	\$7,512,789	\$7,490,017	\$7,467,125	n/a
6. Average Net Investment		6,832,327	6,811,578	7,139,895	7,490,688	7,501,403	7,478,571	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		44,005	43,871	45,966	48,277	48,314	48,167	278,619
b. Debt Component (Line 6 x 3.3446% x 1/12)		19,043	18,985	19,900	20,892	20,908	20,844	120,571
8. Investment Expenses								
a. Depreciation (D)		20,749	20,749	21,740	22,811	22,892	22,892	131,832
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$83,797	\$83,605	\$87,625	\$91,980	\$92,114	\$91,903	\$531,026

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April 1998 through September 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Maintenance of Above Ground Storage Tanks (Project No. 5b)  
(in Dollars)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$532,621	\$1,200	\$629,792	\$1,655,000	\$0	\$825,000	\$3,643,613
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$7,764,039	8,296,660	8,297,862	8,927,654	10,582,654	10,582,654	11,407,654	n/a
3. Less: Accumulated Depreciation (B)	296,914	431,906	464,385	498,387	536,684	577,752	620,040	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$7,467,125	\$7,864,754	\$7,833,478	\$8,429,267	\$10,045,970	\$10,004,902	\$10,787,614	n/a
6. Average Net Investment		7,665,940	7,849,116	8,131,372	9,237,619	10,025,436	10,396,258	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		49,374	50,553	52,371	59,496	64,570	66,959	621,942
b. Debt Component (Line 6 x 3.3446% x 1/12)		21,366	21,877	22,663	25,747	27,943	28,976	269,143
8. Investment Expenses								
a. Depreciation (D)		31,388	32,478	34,003	38,296	41,068	42,289	351,354
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)		103,604						103,604
9. Total System Recoverable Expenses (Lines 7 & 8)		\$205,731	\$104,908	\$109,037	\$123,539	\$133,581	\$138,224	\$1,346,044

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) Adjustment to record implementation of the proposed depreciation rates at six steam generation sites, on a preliminary basis as of January 1, 1997, in accordance with Order No. PSC-97-1015-PCO-EI.



Florida Power & Light Company  
Environmental Cost Recovery Clause  
For the Period October 1997 through March 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Relocate Turbine Oil Underground Piping (Project No. 7)  
(in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$31,030	31,030	31,030	31,030	31,030	31,030	31,030	n/a
3. Less: Accumulated Depreciation (B)	4,413	4,500	4,588	4,676	4,764	4,852	4,940	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$26,617	\$26,530	\$26,442	\$26,354	\$26,266	\$26,178	\$26,090	n/a
6. Average Net Investment		26,574	26,486	26,398	26,310	26,222	26,134	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		171	171	170	169	169	168	1,018
b. Debt Component (Line 6 x 3.3446% x 1/12)		74	74	74	73	73	73	441
8. Investment Expenses								
a. Depreciation (D)		88	88	88	88	88	88	528
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$333	\$333	\$332	\$330	\$330	\$329	\$1,987

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

Florida Power & Light Company  
Environmental Cost Recovery Clause  
For the Period April 1998 through September 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Relocate Turbine Oil Underground Piping (Project No. 7)  
(in Dollars)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$31,030	31,030	31,030	31,030	31,030	31,030	31,030	n/a
3. Less: Accumulated Depreciation (B)	4,940	5,027	5,115	5,203	5,291	5,379	5,467	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$26,090	\$26,003	\$25,915	\$25,827	\$25,739	\$25,651	\$25,563	n/a
6. Average Net Investment		26,047	25,959	25,871	25,783	25,695	25,607	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		168	167	167	166	165	165	2,016
b. Debt Component (Line 6 x 3.3446% x 1/12)		73	72	72	72	72	71	873
8. Investment Expenses								
a. Depreciation (D)		89	88	88	88	88	88	1,056
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$328	\$327	\$327	\$326	\$325	\$324	\$3,944

Notes:

(A) N/A  
(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
 For the Period October 1997 through March 1998

Return on Capital Investments, Depreciation and Taxes  
 For Project: Oil Spill Cleanup/Response Equipment (Project No. 8b)  
 (in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant								
c. Retirements								
d. Other (A)		(92)	\$0	\$0	\$41,827	\$0	\$0	\$41,825
2. Plant-In-Service/Depreciation Base	\$620,110	620,108	620,108	620,108	661,935	661,935	661,935	n/a
3. Less: Accumulated Depreciation (B)	331,233	338,791	346,351	353,912	361,900	369,887	377,875	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$288,878	\$281,317	\$273,757	\$266,196	\$300,035	\$292,048	\$284,060	n/a
6. Average Net Investment		285,097	277,537	269,976	283,116	296,042	288,054	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		1,836	1,788	1,739	1,823	1,907	1,855	10,948
b. Debt Component (Line 6 x 3.3446% x 1/12)		795	774	752	789	825	803	4,738
8. Investment Expenses								
a. Depreciation (D)								
b. Amortization		7,561	7,561	7,561	7,988	7,988	7,988	46,645
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$10,192	\$10,123	\$10,052	\$10,600	\$10,720	\$10,646	\$62,330

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

Florida Power & Light Company  
Environmental Cost Recovery Clause  
For the Period April 1998 through September 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Oil Spill Cleanup/Response Equipment (Project No. 8b)  
(in Dollars)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$661,935	661,935	661,935	661,935	661,935	661,935	661,935	n/a
3. Less: Accumulated Depreciation (B)	377,875	385,862	393,850	401,837	409,825	417,812	425,800	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$284,061	\$276,073	\$268,085	\$260,098	\$252,110	\$244,123	\$236,135	n/a
6. Average Net Investment		280,066	272,079	264,092	256,104	248,117	240,129	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		1,804	1,752	1,701	1,649	1,598	1,547	20,999
b. Debt Component (Line 6 x 3.3446% x 1/12)		781	758	736	714	692	669	9,088
8. Investment Expenses								
a. Depreciation (D)		7,988	7,988	7,988	7,988	7,988	7,988	94,570
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$10,572	\$10,498	\$10,424	\$10,351	\$10,277	\$10,203	\$124,658

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1997 through March 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Relocate Storm Water Runoff (Project No. 10)  
(in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$117,794	117,794	117,794	117,794	117,794	117,794	117,794	n/a
3. Less: Accumulated Depreciation (B)	11,155	11,425	11,695	11,965	12,235	12,504	12,774	n/a
4. CWP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$106,639	\$106,369	\$106,099	\$105,829	\$105,558	\$105,290	\$105,020	n/a
6. Average Net Investment		106,504	106,234	105,964	105,693	105,424	105,155	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		686	684	682	681	679	677	4,090
b. Debt Component (Line 6 x 3.3446% x 1/12)		297	296	295	295	294	293	1,770
8. Investment Expenses								
a. Depreciation (D)								
b. Amortization		270	270	270	270	270	270	1,621
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$1,253	\$1,250	\$1,247	\$1,246	\$1,243	\$1,240	\$7,480

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April 1998 through September 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Relocate Storm Water Runoff (Project No. 1)  
(in Dollars)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$117,794	117,794	117,794	117,794	117,794	117,794	117,794	n/a
3. Less: Accumulated Depreciation (B)	12,774	13,044	13,315	13,585	13,855	14,125	14,395	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$105,020	\$104,750	\$104,479	\$104,209	\$103,939	\$103,669	\$103,399	n/a
6. Average Net Investment		104,885	104,615	104,344	104,074	103,804	103,534	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		676	674	672	670	669	667	8,117
b. Debt Component (Line 6 x 3.3446% x 1/12)		292	292	291	290	289	289	3,513
8. Investment Expenses								
a. Depreciation (D)		270	270	270	270	270	270	3,242
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$1,238	\$1,235	\$1,233	\$1,230	\$1,228	\$1,225	\$14,865

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

(E) Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1997 through March 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Scherer Discharge Pipeline (Project No. 12)  
(in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$864,260	864,260	864,260	864,260	864,260	864,260	864,260	n/a
3. Less: Accumulated Depreciation (B)	87,861	90,047	92,232	94,418	96,603	98,789	100,975	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$776,399	\$774,213	\$772,028	\$769,843	\$767,657	\$765,471	\$763,286	n/a
6. Average Net Investment		775,306	773,121	770,935	768,750	766,564	764,379	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		4,993	4,979	4,965	4,951	4,937	4,923	29,750
b. Debt Component (Line 6 x 3.3446% x 1/12)		2,161	2,155	2,149	2,143	2,137	2,130	12,874
8. Investment Expenses								
a. Depreciation (D)		2,186	2,186	2,186	2,186	2,186	2,186	13,114
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$9,340	\$9,320	\$9,300	\$9,280	\$9,260	\$9,239	\$55,736

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant In Service during the month. Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period April 1998 through September 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Scherer Discharge Pipeline (Project No. 12)  
(in Dollars)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant								
c. Retirements		\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Other (A)								
2. Plant-in-Service/Depreciation Base	\$864,260	864,260	864,260	864,260	864,260	864,260	864,260	n/a
3. Less: Accumulated Depreciation (B)	100,975	103,160	105,346	107,531	109,717	111,903	114,088	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$763,286	\$761,099	\$758,915	\$756,729	\$754,543	\$752,358	\$750,172	n/a
6. Average Net Investment		762,193	780,007	757,822	755,636	753,451	751,265	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		4,909	4,895	4,881	4,867	4,853	4,839	58,993
b. Debt Component (Line 6 x 3.3446% x 1/12)		2,124	2,118	2,112	2,106	2,100	2,094	25,529
8. Investment Expenses								
a. Depreciation (D)								
b. Amortization		2,186	2,186	2,186	2,186	2,186	2,186	26,228
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$9,220	\$9,199	\$9,179	\$9,158	\$9,138	\$9,118	\$110,751

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

(E) Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A



**Florida Power & Light Company**  
Environmental Cost Recovery Clause  
For the Period October 1997 through March 1998

Return on Capital Investments, Depreciation and Taxes  
For Project: Noncontainerized Liquid Wastes (Project No. 17)  
(in Dollars)

Line	Beginning of Period Amount	October	November	December	January	February	March	End of Six Month Period Amount
1. Investments								
a. Expenditures/Additions								
b. Clearings to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Retirements								
d. Other (A)								
2. Plant-In-Service/Depreciation Base	\$311,009	311,009	311,009	311,009	311,009	311,009	311,009	n/a
3. Less: Accumulated Depreciation (B)	9,111	10,096	11,081	12,066	13,050	14,035	15,020	n/a
4. CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0
5. Net Investment (Lines 2 - 3 + 4)	\$301,898	\$300,913	\$299,928	\$298,943	\$297,959	\$296,974	\$295,989	n/a
6. Average Net Investment		301,406	300,421	299,436	298,451	297,466	296,481	
7. Return on Average Net Investment								
a. Equity Component grossed up for taxes (C)		1,941	1,935	1,929	1,922	1,916	1,910	11,552
b. Debt Component (Line 6 x 3.3446% x 1/12)		840	837	835	832	829	826	4,999
8. Investment Expenses								
a. Depreciation (D)		985	985	985	985	985	985	5,909
b. Amortization								
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
9. Total System Recoverable Expenses (Lines 7 & 8)		\$3,766	\$3,767	\$3,749	\$3,739	\$3,730	\$3,721	\$22,461

Notes:

(A) N/A  
(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

Depreciation and return are calculated and recorded on a one month lag due to the timing of the month end closing. Amounts shown above apply to prior month activity.

(E) N/A

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**For the Period April 1998 through September 1998**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Noncontainerized Liquid Wastes (Project No. 17)**  
 (in Dollars)

Line	Beginning of Period Amount	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	End of Twelve Month Period Amount
<b>1. Investments</b>								
a. Expenditures/Additions								
b. Clearings to Plant								
c. Retirements		\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Other (A)								
<b>2. Plant-in-Service/Depreciation Base</b>	\$311,009	311,009	311,009	311,009	311,009	311,009	311,009	
<b>3. Less: Accumulated Depreciation (B)</b>	15,020	16,005	16,990	17,975	18,960	19,945	20,929	n/a
<b>4. CWI - Non Interest Bearing</b>	0	0	0	0	0	0	0	n/a
<b>5. Net Investment (Lines 2 - 3 + 4)</b>	\$295,989	\$295,004	\$294,019	\$293,034	\$292,049	\$291,064	\$290,080	n/a
<b>6. Average Net Investment</b>		295,496	294,511	293,527	292,542	291,557	290,572	
<b>7. Return on Average Net Investment</b>								
a. Equity Component grossed up for taxes (C)		1,903	1,897	1,891	1,884	1,878	1,871	22,876
b. Debt Component (Line 6 x 3.3446% x 1/12)		824	821	818	815	813	810	9,899
<b>8. Investment Expenses</b>								
a. Depreciation (D)								
b. Amortization		985	985	985	985	985	985	11,818
c. Dismantlement								
d. Property Expenses								
e. Other (E)								
<b>9. Total System Recoverable Expenses (Lines 7 &amp; 8)</b>		\$3,712	\$3,703	\$3,693	\$3,684	\$3,675	\$3,666	\$44,595

Notes:

(A) N/A

(B) N/A

(C) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the Equity Component of 4.7474% reflects a 12% return on equity.

(D) Depreciation expense is calculated using the appropriate site and account rates. Half month depreciation is calculated on additions closing to Plant in Service during the month.

(E) N/A

**Florida Power & Light Company**  
**Schedule of Negative Return on**  
**Deferred Gain on Sales of Emission Allowances**  
**For the Period October 1997 through March 1998**

Line No.	Description	Beginning of Period	October	November	December	January	February	March	Six Month Subtotal	Line No.
1	Additions									
2	Net Investment	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)		1
3	Average Net Investment		(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	n/a	2
4	Return on Average Net Investment (a)									3
	a. Equity Component grossed up for taxes (A)		(7,527)	(7,527)	(7,527)	(7,527)	(7,527)	(7,527)	(45,162)	4
	b. Debt Component (Line 3 x 3.3448% /12)		(3,257)	(3,257)	(3,257)	(3,257)	(3,257)	(3,257)	(19,544)	
5	<b>Total Return Requirements (Line 4b + 4c)</b>		<b>(10,784)</b>	<b>(10,784)</b>	<b>(10,784)</b>	<b>(10,784)</b>	<b>(10,784)</b>	<b>(10,784)</b>	<b>(84,703)</b>	5

Notes:

(A) The gross-up factor for taxes uses 0.61425, which reflects the Federal Income Tax Rate of 35%; the monthly Equity Component of 4.7474% reflects a 12% return on equity.

In accordance with FPSC Order No. PSC-04-0393-FOF-EI, FPL has recorded the sales of emissions allowances as a regulatory liability. This schedule reflects the return on that regulatory liability.

**Florida Power & Light Company**  
**Schedule of Negative Return on**  
**Deferred Gain on Sales of Emission Allowances**  
**For the Period April 1998 through September 1998**

Line No.	Description	Beginning of Period	Actual April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Six Month Subtotal	Line No.
1	Additions				(\$100,000)					
2	Net Investment	(\$1,168,670)	(\$1,168,670)	(\$1,168,670)	(\$1,268,670)	(\$1,268,670)	(\$1,268,670)	(\$1,268,670)		1
3	Average Net Investment		(\$1,168,670)	(\$1,168,670)	(\$1,218,670)	(\$1,268,670)	(\$1,268,670)	(\$1,268,670)	n/a	2
4	Return on Average Net Investment (a)									3
	a. Equity Component grossed up for taxes (A)		(7,527)	(7,527)	(7,849)	(8,171)	(8,171)	(8,171)	(92,576)	4
	b. Debt Component (Line 3 x 3.3446% /12)		(3,257)	(3,257)	(3,397)	(3,536)	(3,536)	(3,536)	(40,063)	
5	<b>Total Return Requirements (Line 4b + 4c)</b>		<b>(10,784)</b>	<b>(10,784)</b>	<b>(11,246)</b>	<b>(11,707)</b>	<b>(11,707)</b>	<b>(11,707)</b>	<b>(132,639)</b>	5

Notes:

(A) The gross-up factor for taxes uses 0.61425, which reflects the Federal income Tax Rate of 35%; the monthly Equity Component of 4.7474% reflects a 12% return on equity.

In accordance with FPSC Order No. PSC-94-0393-FOF-IEI, FPL has recorded the sales of emissions allowances as a regulatory liability. This schedule reflects the return on that regulatory liability.