STEEL HECTOR DAVIS

RIGI Stee 215 South M. Tallahassee Hooda 32301-1804 904 222 2300 904 222 8410 Fax

June 30, 1998

Charles A Guyton 904 222 3423

Blanca S. Bayó, Director Records and Reporting Florida Public Service Commission 4075 Esplanade Way, Room 110 Tallahassee, Florida 32399-0850

By Hand Delivery



Re: Petition for Approval of True-Up Amount in Docket No. 980002-EG

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") in Docket No 980002-EG are the original and ten copies of Florida Power & Light Company's Petition For Approval of True-Up Amount.

If you or your staff have any questions regarding this transmittal, please contact me at 222-2300

Very truly yours,

Charles A. Guyton

Key West

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305 292 7271 Fax

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION VGINAL

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In re: Energy Conservation Cost Recovery Clause Docket No. 980002-EG Filed: June 30, 1998

FLORIDA POWER & LIGHT COMPANY'S PETITION FOR APPROVAL OF TRUE-UP AMOUNT

Florida Power & Light Company ("FPL") hereby petitions the Florida Public Service Commission ("Commission") for approval of an underrecovery of \$1,389,882 as FPL's adjusted net true-up amount for the October 1997 through March 1998 Energy Conservation Cost Recovery ("ECCR") period. In support of this Petition, FPL states:

The name and address of the petitioner is:

Florida Power & Light Company 9250 West Flagler Avenue Miami, Florida 33174

Notices, orders, pleadings and correspondence to be served upon FPL in this proceeding should be directed to:

> Charles A. Guyton, Esquire Steel Hector & Davis LLP Suite 601, 215 S. Monroe St. Tallahassee, Florida 32301

William G. Walker, III Vice President, Regulatory Affairs 9250 West Flagler Avenue Miami, Florida 33174

2. Florida Power & Light Company is a public utility subject to the Commission's jurisdiction pursuant to Chapter 366, Florida Statutes. Pursuant to Section 366.82, Florida Statutes, and Florida Administrative Code Rule 25-17.015, FPL has an ECCR clause through which it recovers its reasonable and prudent unreimbursed costs for conservation audits, conservation programs, and implementation of FPL's conservation plan. FPL has substantial interests in the proper calculation and recovery of its ECCR factor and the final true-up which is used in the

computation of FPL's ECCR factor.

3. FPL seeks Commission approval of an adjusted net true-up for the period October 1997 through March 1998 of an underrecovey of \$1,389,882. FPL's adjusted net true-up for October 1997 through March 1998 was calculated consistently with the methodology set forth in Schedule 1, page 2 of 2, attached to Order No. 10093, dated June 19, 1981. This calculation and the supporting documentation are contained in Exhibit LMB-1, an exhibit attached to the prepared testimony of FPL's witness Leonor M. Busto, which is being filed contemporaneously with this Petition. Exhibit LMB-1 consists of (a) the Energy Conservation Cost Recovery True-Up Reporting Forms which FPL and other utilities were directed to file by the Commission's Electric & Gas Department memorandum dated April 14, 1982, (b) explanatory supplements to certain of the forms, (c) a complete list of account and subaccount numbers used for conservation cost recovery as required by Rule 25-17.015(3), Florida Administrative Code, and (d) documentation necessary to support claimed energy savings in conservation advertising as required by Florida Administrative Code Rule 25-17.015(5).

4. In November 1997 the Commission amended Rule 25-17.015, Florida Administrative Code. Under the amended rule, each utility seeking conservation cost recovery must file, "an annual final true-up filing showing the common costs, individual program costs and revenues, and actual total ECCR revenues for the most recent 12-month historical period from April 1 through March 31 that ends prior to the annual ECCR proceedings." For the proceedings scheduled for the first quarter of 1999, that twelve month period would be April 1, 1997 through March 31, 1998, because the twelve month period ending March 31, 1999 would not yet be ended. However, the current ECCR factors approved for FPL already include the a final true-up for the period April through September 1997, the first half of the true-up period contemplated in Rule 25-17.015. When Rule 25-17.015 was amended in November of 1997 to reflect the new April through March recovery and true-up periods, no arrangement was made for the transition from the then existing recovery periods to the new annual periods. Consequently, to make the transition from the final true-up period underlying the current ECCR factors, FPL is filing a final true-up for the six month period from October 1997 through March 1998. This avoids repeating a final true-up for the period April 1997 through September 1997, a period already subject to a final true-up.

5. FPL's current ECCR Factor -- approved by the Commission to be applied to customers' bills during the April 1998 through March 1999 period -- reflected an estimated/actual true-up overrecovery of \$33,756 for the October 1997 through March 1998 period. However, the actual net underrecovery for the October 1997 through March 1998 period was \$1,356,129. The difference between the actual net underrecovery for the October 1997 through March 1998 period of \$1,356,129 and FPL's approved estimated/actual overrecovery of \$33,756 results in an adjusted net true-up of an underrecovery of \$1,389,882 for the period October 1997 through March 1998. This is the amount which should be collected on jurisdictional sales during FPL's next annual ECCR recovery period.

6. On June 11, 1998 FPL filed with the Commission a Petition for Waiver of Rule 25-17.015(1), F.A.C. In FPL's rule waiver petition FPL asked the Commission to waive Rule 25-27.015(1), Florida Administrative Code and permit FPL to have an ECCR factor for calendar year 1999 rather than the year April 1999 through March 2000. FPL requested that the Commission usc a final true-up period in the calculation of FPL's calendar year 1999 ECCR factor of October 1997 through March 1998. Thus, FPL's requested final true-up for the period October 1997 through March 1998 in this petition not only accomplishes a necessary transition in the implementation of the November 1997 amendment to Rule 25-17.015, but also is consistent with the relief sought by FPL in FPL's rule waiver petition.

WHEREFORE, FPL respectfully requests the Commission to approve the underrecovery of \$1,389,882 as the adjusted net true-up amount for the October 1997 through March 1998 period, which is to be carried over and collected in FPL's next ECCR factors.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP 215 South Monroe Street Suite 601 Tallahassee, Florida 32301 (904) 222-2300

Attorneys for Florida Power & Light Company

By: Charles A. Guyon

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Petition for Approval of True-Up Amount was served by Hand Delivery (when indicated with an *) or mailed this <u>30th</u> day of June, 1998 to the following:

Robert V. Elias, Esquire* Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Boulevard Gunter Building, Room 370 Tallahassee, Florida 32399-0850

Lee L. Willis, Esquire * James D. Beasley, Esquire Ausley Law Firm 227 South Calhoun Street Tallahassee, Florida 32302

Jeffrey A. Stone, Esquire G. Edison Holland, Esquire Beggs & Lanc Post Office Box 12950 Pensacola, Florida 32576-2950

Joseph A. McGlothlin, Esquire * Vicki Gordon Kaufman, Esquire McWhirter, Reeves, et al. 117 South Gadsden Street Tallahassee, Florida 32301

John W. McWhirter, Jr., Esquire McWhirter, Reeves, et al. Post Office Box 3350 Tampa, Florida 33601

Jack Shreve, Esquire * Roger Howe, Esquire Office of Public Counsel 111 West Madison Street Room 812 Tallahassee, Florida 32399 Kenneth A. Hoffman, Esquire * Rutledge, Feenia, Underwood, Purnell & Hoffman Post Office Box 551 Tallahassee, Florida 32302-0551

Norman Horton, Jr., Esquire * Messer, Caparello, et al. 215 South Monroe Street, Suite 701 Tallahassee, Florida 32301

Kenneth Gatlin, Esquire * Wayne L. Schiefelbein, Esquire Gatlin, Schiefelbein & Cowdery, P.A. 3301 Thomasville Road, Suite 300 Tallahassee, Florida 32312

Debbie Stitt Energy Conservation Analyst St. Joe Natural Gas Company Post Office Drawer 549 Port St. Joe, Florida 32456

James A. McGee, Esquire Florida Power Corporation Post Office Box 14042 St. Petersburg, Florida 33733

Michael Palecki, Esquire City Gas Company of Florida 955 East 25th Street Hialeah, Florida 33013-3498 Colette Powers Indiantown Gas Company Post Office Box 8 Indiantown, Florida 34956-0008

Peter Martin South Florida Natural Gas Company 101 NW 202 Terrace Post Office Box 69000-J Miami, Florida 33269-0078

Legal Environmental Assistance Foundation, Inc.* Gail Kamaras, Esquire 1114-E Thomasville Road Tallahassee, Florida 32303-6290

Mollie Lampi Pace University Energy Project 122 South Swan Street Albany, New York 12110

Sebring Gas System, Inc. 3515 highway 27 South Sebring, Florida 33870-5452

Stuart L. Shoaf St. Joe Natural Gas Company, Inc. Post Office Box 549 Port St. Joe, Florida 32457-0549

Ansley Watson, Jr., Esquire Macfarlane, Ferguson & McMullen P.O. Box 1531 Tampa, Florida 33602

Charles A. Guyton

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