

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power
cost recovery clause and
generating performance incentive
factor.

DOCKET NO. 980001-EI
ORDER NO. PSC-98-1715-FOF-EI
ISSUED: DECEMBER 18, 1998

The following Commissioners participated in the disposition of
this matter:

SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

APPEARANCES:

JAMES A. MCGEE, ESQUIRE, Florida Power Corporation, Post
Office Box 14042, St. Petersburg, Florida 33733-4042
On behalf of Florida Power Corporation (FPC).

MATTHEW M. CHILDS, ESQUIRE, Steel Hector & Davis, 215 South
Monroe Street, Suite 601, Tallahassee, Florida 32301
On behalf of Florida Power & Light Company (FPL).

KENNETH A. HOFFMAN, ESQUIRE, Rutledge Ecenia Underwood Purnell
& Hoffman, P.A., Post Office Box 551, Tallahassee, Florida
32302-0551
On behalf of Florida Public Utilities Company (FPUC).

JEFFREY A. STONE, ESQUIRE, and RUSSELL A. BADDERS, Esquire,
Beggs & Lane, Post Office Box 12950, Pensacola, Florida 32576
On behalf of Gulf Power Company (GULF).

LEE L. WILLIS, ESQUIRE, and JAMES D. BEASLEY, ESQUIRE, Ausley
& McMullen, Post Office Box 391, Tallahassee, Florida 32302
On behalf of Tampa Electric Company (TECO).

JOHN W. MCWHIRTER, ESQUIRE, McWhirter Reeves McGlothlin
Davidson Decker Kaufman Arnold & Steen, P.A., Post Office Box
3350, Tampa, Florida, 33601-3350; and JOSEPH A. MCGLOTHLIN,
ESQUIRE, and VICKI GORDON KAUFMAN, ESQUIRE, McWhirter Reeves
McGlothlin Davidson Decker Kaufman Arnold & Steen, P.A., 117
South Gadsden Street, Tallahassee, Florida 32301
On behalf of Florida Industrial Power Users Group (FIPUG).

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FPCD RECORDS/REPORTING

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JOHN ROGER HOWE, ESQUIRE, Office of Public Counsel c/o the Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida (OPC).

LESLIE J. PAUGH, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commission Staff (Staff).

ORDER APPROVING PROJECTED EXPENDITURES AND TRUE-UP
AMOUNTS FOR FUEL ADJUSTMENT FACTORS;
GPIF TARGETS, RANGES AND REWARDS;
AND PROJECTED EXPENDITURE AND TRUE-UP AMOUNTS
FOR CAPACITY COST RECOVERY FACTORS

As part of the Commission's continuing fuel cost recovery, conservation cost recovery, purchased gas adjustment and environmental cost recovery proceedings, a hearing was held on November 23, 1998, in this docket and in Docket Nos. 980002-EG, 980003-GU and 980007-EI. The hearing addressed the issues set out in the Prehearing Order. The parties stipulated to a resolution of all of the issues.

We approve as reasonable the following stipulation as to the final fuel adjustment true-up amount for Florida Power & Light Company for the period October, 1997, through March, 1998.

FPL: \$13,491,202 overrecovery

We approve as reasonable the following stipulations as to the estimated fuel adjustment true-up amounts for the period April, 1998, through December, 1998.

FPC: \$6,491,587 overrecovery
FPL: \$129,170,389 underrecovery
FPUC-Fernandina Beach: \$126,712 overrecovery
FPUC-Marianna: \$60,107 overrecovery
GULF: \$4,384,575 underrecovery
TECO: \$5,261,113 overrecovery

We approve as reasonable the following stipulations as to the total fuel adjustment true-up amounts to be collected/refunded from January, 1999, to December, 1999.

FPC: \$6,491,587 overrecovery
FPL: \$115,679,187 underrecovery
FPUC-Fernandina Beach: \$126,712 overrecovery
FPUC-Marianna: \$60,107 overrecovery
GULF: \$4,384,575 underrecovery
TECO: \$5,261,113 overrecovery

We approve as reasonable the following stipulations as to the appropriate levelized fuel cost recovery factors for the period January, 1999, to December, 1999.

FPC: 1.893 cents per kWh (adjusted for jurisdictional losses)
FPL: 1.976 cents per kWh.
FPUC: Marianna: 2.293 cents per kWh.
Fernandina Beach: 2.042 cents per kWh.
GULF: 1.662 cents per kWh.
TECO: 2.214 cents per kWh.

We approve as reasonable the following stipulation as to the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes.

The new factors shall be effective beginning with the first billing cycle for January, 1999, and thereafter through the last billing cycle for December, 1999. The first billing cycle may start before January 1, 1999, and the last billing cycle may end after December 31, 1999, so long as each customer is billed for twelve months regardless of when the factors became effective.

We approve as reasonable the following stipulations as to the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class.

FPC:	Group	Delivery <u>Voltage Level</u>	Line Loss <u>Multiplier</u>
	A.	Transmission	0.9800
	B.	Distribution Primary	0.9900
	C.	Distribution Secondary	1.0000
	D.	Lighting Service	1.0000

FPL: The appropriate Fuel Cost Recovery Loss Multipliers are as provided on pages 5 - 6 of this order.

FPUC: Rate Schedule Multiplier
 Marianna
 All Rate Schedules 1.0000
 Fernandina Beach
 All Rate Schedules 1.0000

GULF: See table below:

Group	Rate Schedules*	Line Loss Multipliers
A	RS, GS, GSD, GSDT, SBS, OSIII, OSIV	1.01228
B	LP, LPT, SBS	0.98106
C	PX, PXT, SBS, RTP	0.96230
D	OSI, OSII	1.01228

*The multiplier applicable to customers taking service under Rate Schedule SBS is determined as follows: customers with a Contract Demand in the range of 100 to 499 KW will use the recovery factor applicable to Rate Schedule GSD; customers with a Contract Demand in the range of 500 to 7,499 KW will use the recovery factor applicable to Rate Schedule LP; and customers with a Contract Demand over 7,499 KW will use the recovery factor applicable to Rate Schedule PX.

TECO:	<u>Group</u>	<u>Multiplier</u>
	Group A	1.0071
	Group A1	N/A*
	Group B	1.0016
	Group C	0.9681

*Group A1 is based on Group A, 15% of On-Peak and 85% of Off-Peak.

We approve as reasonable the following stipulations as to the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses.

FPC:		Fuel Cost Factors (cents/kWh)		
	Delivery		<u>Time Of Use</u>	
<u>Group</u>	<u>Voltage Level</u>	<u>Standard</u>	<u>On-Peak</u>	<u>Off-Peak</u>
	A. Transmission	1.858	2.391	1.594
	B. Distribution Primary	1.877	2.416	1.610
	C. Distribution Secondary	1.896	2.440	1.627
	D. Lighting Service	1.779		

FPL:

GROUP	RATE SCHEDULE	AVERAGE FACTOR	FUEL RECOVERY LOSS MULTIPLIER	FUEL RECOVERY FACTOR
A	RS-1,GS-1, SL-2	1.976	1.00205	1.980
A-1	SL-1,OL-1	1.944	1.00205	1.948
B	GSD-1	1.976	1.00204	1.980
C	GSLD-1 & CS-1	1.976	1.00172	1.980
D	GSLD-2,CS-2, OS-2 & MET	1.976	0.99595	1.968
E	GSLD-3 & CS-3	1.976	0.95798	1.893

A	RST-1,GST-1			
	ON-PEAK	2.136	1.00205	2.140
	OFF-PEAK	1.908	1.00205	1.912
B	GSDT-1			
	CILC-1(G)			
	ON-PEAK	2.136	1.00204	2.140
	OFF-PEAK	1.908	1.00204	1.912
C	GSLDT-1 &			
	CST-1			
	ON-PEAK	2.136	1.00172	2.140
	OFF-PEAK	1.908	1.00172	1.911
D	GSLDT-2 &			
	CST-2			
	ON-PEAK	2.136	0.99595	2.127
	OFF-PEAK	1.908	0.99595	1.900
E	GSLDT-3,CST-3			
	CILC-1(T) &			
	ISST-1(T)			
	ON-PEAK	2.136	0.95798	2.046
	OFF-PEAK	1.908	0.95798	1.828
F	CILC-1(D) &			
	ISST-1(D)			
	ON-PEAK	2.136	0.99793	2.131
	OFF-PEAK	1.908	0.99793	1.904

FPUC: Marianna

RS	4.077¢/kwh
GS	4.014¢/kwh
GSD	3.584¢/kwh
GSLD	3.461¢/kwh
OL, OL-2	2.730¢/kwh
SL-1, SL-2	2.695¢/kwh

<u>Fernandina Beach</u> <u>Rate Schedule</u>	<u>Adjustment</u>
RS	3.762¢/kwh
GS	3.598¢/kwh
GSD	3.297¢/kwh
OL	2.310¢/kwh
SL, CSL	2.310¢/kwh

GULF: See table below:

Group	Rate Schedules*	Fuel Cost Factors ¢/KWH		
		Standard	Time of Use	
			On-Peak	Off-Peak
A	RS, GS, GSD, GSDT, SBS OSIII, OSIV	1.682	2.177	1.468
B	LP, LPT, SBS	1.631	2.110	1.423
C	PX, PXT, SBS, RTP	1.599	2.070	1.395
D	OSI, OSII	1.647	N/A	N/A

*The recovery factor applicable to customers taking service under Rate Schedule SBS is determined as follows: customers with a Contract Demand in the range of 100 to 499 KW will use the recovery factor applicable to Rate Schedule GSD; customers with a Contract Demand in the range of 500 to 7,499 KW will use the recovery factor applicable to Rate Schedule LP; and customers with a Contract Demand over 7,499 KW will use the recovery factor applicable to Rate Schedule PX.

TECO:

	<u>Standard</u>	<u>On-Peak</u>	<u>Off-Peak</u>
Group A	2.230	3.252	1.785
Group A1	2.005	NA	NA
Group B	2.218	3.234	1.775
Group C	2.143	3.126	1.715

We approve as reasonable the following stipulation as to the appropriate revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of January, 1999, to December, 1999.

FPC:	1.00072	
FPL:	1.01597	
FPUC	Marianna:	1.00072
	Fernandina Beach:	1.01597
GULF:	1.01597	
TECO:	1.00072	

COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

Florida Power Corporation

We find that Florida Power Corporation has confirmed the validity of the methodology used to determine the equity component of Electric Fuels Corporation's capital structure for calendar year 1997. The annual audit of EFC's revenue requirements under a full utility-type regulatory treatment confirms the appropriateness of the "short-cut" methodology used to determine the equity component of EFC's capital structure.

We find that Florida Power Corporation has properly calculated the market price true-up for coal purchases from Powell Mountain. The calculation has been made in accordance with the market pricing methodology approved by the Commission in Docket No. 860001-EI-G.

We find that Florida Power Corporation has properly calculated the 1997 price for waterborne transportation services provided by Electric Fuels Corporation. The calculation has been made in accordance with the market pricing methodology approved by us in Docket No. 930001-EI.

Florida Power Corporation's request to recover the cost of converting Debary Unit 8 to burn natural gas is approved. Florida

Power Corporation's conversion of its Debarry Unit 8 to burn natural gas is estimated to save FPC's ratepayers approximately \$3.4 million over the next five years at a cost of approximately \$1.8 million. Order No. 14546, issued July 08, 1985, allows a utility to recover fossil-fuel related costs which result in fuel savings when those costs were not previously addressed in determining base rates. FPC shall be allowed to recover the conversion costs through its fuel clause beginning May 1, 1999. FPC shall depreciate the Debarry Unit 8 conversion over the next five years using the straight line depreciation method. FPC shall also be allowed to recover a return on average investment at the rate authorized in Docket No. 910890-EI, 8.37%, as well as applicable taxes. We will require an audit of actual costs once the conversion is complete to true-up original projections and to verify the prudence of the individual cost components included for recovery. We further find that if fuel savings during any annual period are less than the amortization and return costs, FPC shall limit cost recovery to actual fuel savings and defer recovery of the difference to future periods.

Tampa Electric Company

We approve as reasonable the 1997 benchmark price for coal TECO purchased from its affiliate, Gatliff Coal Company of \$43.20 per ton.

We approve as reasonable the stipulation of TECO to reduce its projected fuel and purchased power costs in the amount of \$6,639,522 for 1999. This reduction renders the issue of whether TECO has adequately justified costs associated with the purchase of coal from Gatliff Coal Company moot. This reduction will not affect any future true-ups.

We approve as reasonable the 1997 waterborne coal transportation benchmark price for transportation services provided by affiliates of TECO of \$28.10 per ton.

We approve as reasonable TECO's justification of costs associated with transportation services provided by affiliates of TECO that exceed the 1997 waterborne transportation benchmark price. TECO's actual costs are below the 1997 waterborne transportation benchmark.

We approve as reasonable the following stipulation as to the manner in which TECO shall complete the refund credit factor as

agreed to in the Stipulation approved in Order No. PSC-96-1300-S-EI, in Docket No. 960409-EI, issued October 24, 1996. This \$25 million rate reduction is currently reflected on customers' bills as a line item credit. This rate reduction will be terminated with the last billing cycle in December, 1998. Pursuant to the stipulation in Docket No. 960409-EI, approved in Order No. PSC-96-1300-S-EI, any over or under collections balance remaining will be handled as a true-up component during the next fuel cost recovery hearing.

GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

We approve as reasonable the stipulation as to the GPIF reward for performance achieved by Florida Power & Light Company during the period October, 1996, through September, 1997 of \$9,353,960.

We approve as reasonable the following stipulations as to the GPIF reward or penalty for performance achieved by Florida Power Corporation, Tampa Electric Company, and Gulf Power Company during the period October, 1997, through March, 1998.

FPC: (\$436,639) penalty
GULF: \$62,632 reward
TECO: (\$188,281) penalty

We approve as reasonable the following stipulations as to the GPIF targets/ranges be for the period October, 1998, through December, 1998.

FPC: See Attachment 1
FPL: See Attachment 1
GULF: See Attachment 1
TECO: See Attachment 1

We approve as reasonable the following stipulations as to the GPIF targets/ranges be for the period January, 1999, through December, 1999.

FPC: See Attachment 1
FPL: See Attachment 1
GULF: See Attachment 1
TECO: See Attachment 1

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

Florida Power & Light Company

We approve as reasonable the revised testimony for Florida Power and Light Company. The testimony revises the heat rate results for the Turkey Point Units 3 and 4 shall be incorporated into the results for the period October, 1996, through September, 1997. The heat rate results reflect the capacity increases at the Turkey Point units.

Tampa Electric Company

We approve as reasonable the stipulation to adjust the heat rate for Tampa Electric Company's Big Bend Unit 3 for the power used by the scrubber at Big Bend Unit 4. The heat rate for Big Bend Unit 3 shall be adjusted for the extra power used by the scrubber at Big Bend Unit 4. This adjustment was made for the period ending March, 1998. The historical heat rate data were not adjusted for the projected heat rates, as the historical period now has comparable monthly data reflecting the use of the power by the scrubber at Unit 4.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

We approve as reasonable the following stipulation as to the appropriate final capacity cost recovery true-up amount for Florida Power & Light Company for the period October, 1996, through September, 1997.

\$17,922,987 overrecovery is the final capacity cost recovery true-up for the period October, 1996 through March, 1997. The \$17,922,987 was included in the calculation of the \$10,479,736 approved in Order No. PSC-97-1045-FOF-EI, as a mid-course correction. The final true-up for the period April 1997 through September, 1997, is an overrecovery of \$42,415,473. This amount has been included in the \$63,445,498 mid-course correction approved in Order No. PSC 98-0412-FOF-EI which is currently being refunded to customers.

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We approve as reasonable the following stipulations as to the estimated capacity cost recovery true-up amount for Florida Power & Light Company and Gulf Power Company for the period October, 1997, through December, 1998.

FPL: \$77,177,787 over-recovery
GPC: \$1,315,167 under-recovery

We approve as reasonable the following stipulations as to the estimated capacity cost recovery true-up amount for Florida Power Corporation and Tampa Electric Company for the period April, 1998, through December, 1998.

FPC: \$4,856,714 under-recovery
TECO: \$1,175,420 under-recovery

We approve as reasonable the following stipulations as to the total capacity cost recovery true-up amount to be collected/refunded during the period January, 1999, through December, 1999.

FPL: \$77,177,787 over-recovery
FPC: \$4,856,714 under-recovery
TECO: \$1,175,420 under-recovery
GPC: \$1,315,167 under-recovery

We approve as reasonable the following stipulations as to the appropriate projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period January, 1999, through December, 1999.

FPL: \$390,637,055
FPC: \$311,506,755
TECO: \$24,893,773
GULF: \$9,884,028

We approve as reasonable the following stipulations as to the projected capacity cost recovery factors for the period January, 1999, through December, 1999.

FPL:

RATE CLASS	CAPACITY RECOVERY FACTOR (\$/KW)	CAPACITY RECOVERY FACTOR (\$/KWH)
RS1	-	.00514
GS1	-	.00467
GSD1	1.89	-
OS2	-	.00332
GSLD1/CS1	1.86	-
GSLD2/CS2	1.87	-
GSLD3/CS3	1.80	-
CILCD/CILCG	1.92	-
CILCT	1.84	-
MET	1.88	-
OL1/SL1/PL-1	-	.00241
SL2	-	.00342

RATE CLASS	CAPACITY RECOVERY FACTOR (RESERVATION DEMAND CHARGE) (\$/KW)	CAPACITY RECOVERY FACTOR (SUM OF DAILY DEMAND CHARGE) (\$/KW)
ISST1D	.24	.12
SST1T	.23	.11
SST1D	.24	.11

FPC:

	CAPACITY RECOVERY FACTOR (CENTS/KWH)
RESIDENTIAL	1.154
GENERAL SERVICE NON-DEMAND	.914
@PRIMARY VOLTAGE	.905
@TRANSMISSION VOLTAGE	.896
GENERAL SERVICE 100% LOAD FACTOR	.623
GENERAL SERVICE DEMAND	.760
@PRIMARY VOLTAGE	.753
@TRANSMISSION VOLTAGE	.745

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ORDERED that the estimated true-up amounts contained in the fuel cost recovery factors approved herein are hereby authorized subject to final true-up, and further subject to proof of the reasonableness and prudence of the expenditures upon which the amounts are based. It is further

ORDERED that Florida Power & Light Company, Florida Power Corporation, Gulf Power Company and Tampa Electric Company are hereby authorized to apply the capacity cost recovery factors as set forth herein during the period January, 1999, through December, 1999. It is further

ORDERED that the estimated true-up amounts contained in the capacity cost recovery factors approved herein are hereby authorized subject to final true-up, and further subject to proof of the reasonableness and prudence of the expenditures upon which the amounts are based.

By ORDER of the Florida Public Service Commission this 18th day of December, 1998.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

GPIF REWARDS/PENALTIES
 October 1997 to March 1998

<u>Utility</u>	<u>Amount</u>	<u>Reward/Penalty</u>
Florida Power Corporation	(\$436,639)	Penalty
Florida Power and Light Company	\$9,353,960	Reward
Gulf Power Company	\$62,632	Reward
Tampa Electric Company	(\$188,281)	Penalty

<u>Utility/ Plant/Unit</u>	<u>EAF</u>		<u>Heat Rate</u>	
	<u>Target</u>	<u>Adjusted Actual</u>	<u>Target</u>	<u>Adjusted Actual</u>
<u>FPC</u>				
Anclote 1	76.8	79.9	9,944	10,007
Anclote 2	92.7	92.9	10,019	10,080
Crystal River 1	79.9	83.8	9,623	9,570
Crystal River 2	82.8	79.4	9,453	9,510
Crystal River 3	45.2	26.7	10,267	10,082
Crystal River 4	79.7	77.0	9,307	9,436
Crystal River 5	96.5	98.6	9,248	9,342

<u>Gulf</u>	<u>Target</u>	<u>Adjusted Actual</u>	<u>Target</u>	<u>Adjusted Actual</u>
Crist 6	78.6	78.3	10,975	11,107
Crist 7	83.2	72.0	10,521	10,382
Smith 1	92.3	91.6	10,264	10,253
Smith 2	79.6	78.1	10,318	10,067
Daniel 1	67.8	73.6	10,428	10,518
Daniel 2	88.4	84.2	10,235	10,248

<u>TECO</u>	<u>Target</u>	<u>Adjusted Actual</u>	<u>Target</u>	<u>Adjusted Actual</u>
Big Bend 1	79.3	76.3	10,084	9,998
Big Bend 2	79.7	75.7	9,961	9,993
Big Bend 3	74.1	71.2	9,680	9,786
Big Bend 4	81.1	81.5	10,025	10,011
Gannon 5	77.3	63.5	10,378	10,604
Gannon 6	88.4	72.6	10,692	10,453

GPIF REWARDS/PENALTIES
 October 1996 to September 1997

<u>Utility/ Plant/Unit</u>	<u>EAF</u>		<u>Heat Rate</u>	
	<u>Target</u>	<u>Adjusted Actual</u>	<u>Target</u>	<u>Adjusted Actual</u>
FPL				
Cape Canaveral 1	t	95.0	9,428	9,435
Cape Canaveral 2	93.5	93.7	9,479	9,638
Fort Lauderdale 4 Fort	92.7	96.5	7,277	7,277
Lauderdale 5	93.4	92.5	7,270	7,193
Fort Myers 2	91.8	76.3	9,343	9,164
Martin 3	76.1	97.5	6,922	7,029
Martin 4	95.2	97.7	6,902	6,994
Port Everglades 3	86.6	98.8	9,462	9,603
Port Everglades 4	94.9	84.2	9,539	9,737
Putnam 1	78.1	91.4	8,705	8,923
Putnam 2	89.3	89.8	8,489	8,822
Scherer 4	87.8	84.9	9,994	10,052
St. Lucie 1	86.6	97.6	10,912	10,922
St. Lucie 2	75.0	87.5	10,935	10,916
Turkey Point 3	81.2	85.9	11,024	11,021
Turkey Point 4	82.1	94.2	11,066	11,095
	89.2			

GPIF Targets
 October 1998 to December 1998

<u>Utility/ Plant/Unit</u>	<u>EAF</u>	<u>POF</u>	<u>Heat Rate</u>	
<u>FPC</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Anclote 1	88.8	7.6	3.6	10,192
Anclote 2	45.1	53.2	1.7	10,284
Crystal River 1	91.7	0.0	8.3	9,625
Crystal River 2	89.5	0.0	10.5	9,657
Crystal River 3	90.7	0.0	9.3	10,427
Crystal River 4	91.9	0.0	8.1	9,460
Crystal River 5	89.6	7.6	2.8	9,301
<u>Gulf</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Crist 6	85.9	9.8	4.3	10,737
Crist 7	76.8	9.8	13.4	10,156
Smith 1	98.1	0.0	1.9	10,207
Smith 2	87.1	9.8	3.1	10,246
Daniel 1	17.3	80.4	2.3	10,655
Daniel 2	83.1	9.8	7.1	10,300
<u>TECO</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Big Bend 1	60.3	27.4	12.3	10,311
Big Bend 2	85.4	0.0	14.6	10,311
Big Bend 3	81.9	0.0	18.1	10,051
Big Bend 4	69.6	22.8	7.6	9,945
Gannon 5	66.2	15.2	18.6	10,242
Gannon 6	82.6	0.0	17.4	10,453

GPIF Targets
 October 1998 to December 1998

<u>Utility/ Plant/Unit</u>	<u>EAF</u>	<u>Heat Rate</u>		
GPIF TARGETS				
<u>FPL</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Cape Canaveral	93.6	0.0	6.4	9,613
2	96.0	0.0	4.0	7,262
Fort Lauderdale	63.7	33.7	2.6	7,257
4	93.9	0.0	6.1	9,156
Fort Lauderdale	88.8	0.0	11.2	10,198
5	81.5	14.7	3.8	6,999
Fort Myers 2	96.0	0.0	4.0	6,913
Manatee 2	96.0	0.0	4.0	9,801
Martin 3	94.4	0.0	5.6	9,781
Martin 4	93.6	0.0	6.4	9,913
Port Everglades	89.9	0.0	10.1	9,955
3	92.8	0.0	7.2	10,871
Riviera 3	57.1	39.1	3.8	10,876
Riviera 4	67.1	28.3	4.6	11,030
Sanford 5	93.6	0.0	6.4	11,138
St. Lucie 1	94.6	0.0	5.4	10,175
St. Lucie 2				
Turkey Point 3				
Turkey Point 4				
Scherer 4				

GPIF Targets
 January 1999 to December 1999

<u>Utility/ Plant/Unit</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	<u>Heat Rate</u>
<u>FPC</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Anclote 1	83.8	13.2	3.0	10,006
Anclote 2	94.5	0.0	5.1	9,912
Crystal River 1	76.2	16.7	7.1	9,841
Crystal River 2	85.2	1.9	12.9	9,764
Crystal River 3	80.4	12.3	7.3	10,404
Crystal River 4	90.2	1.9	7.9	9,395
Crystal River 5	83.8	13.7	2.5	9,330
<u>Gulf</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Crist 6	88.4	6.3	5.3	10,624
Crist 7	82.5	6.3	11.2	10,232
Smith 1	75.9	22.2	1.9	10,190
Smith 2	88.8	6.8	4.4	10,263
Daniel 1	81.0	10.7	8.3	10,455
Daniel 2	74.7	19.7	5.6	10,264
<u>TECO</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Big Bend 1	79.8	3.8	16.4	10,230
Big Bend 2	82.2	3.8	14.0	10,247
Big Bend 3	72.5	11.5	16.0	9,992
Big Bend 4	85.0	5.8	9.2	9,938
Gannon 5	73.6	5.8	20.6	10,150
Gannon 6	71.5	13.4	15.1	10,401

GPIF Targets
 January 1999 to December 1999

<u>Utility/ Plant/Unit</u>	<u>EAF</u>			<u>Heat Rate</u>
<u>FPL</u>	<u>EAF</u>	<u>POF</u>	<u>EUOF</u>	
Cape Canaveral	93.6	0.0	6.4	9,602
2	93.2	3.0	3.8	7,290
Fort Lauderdale	93.2	3.0	3.8	7,289
4	90.0	4.1	5.9	9,188
Fort Lauderdale	88.8	0.0	11.2	10,138
5	92.3	3.0	4.7	7,016
Fort Myers 2	93.6	2.6	3.8	6,926
Manatee 2	80.4	16.2	3.4	9,786
Martin 3	96.0	0.0	4.0	9,836
Martin 4	94.4	0.0	5.6	9,770
Port Everglades	91.0	0.0	9.0	9,737
3	89.9	0.0	10.1	9,939
Port Everglades	83.6	9.9	6.5	10,879
4	93.6	0.0	6.4	10,895
Riviera 3	93.6	0.0	6.4	11,047
Sanford 4	84.3	9.9	5.8	11,166
Sanford 5	86.6	8.5	4.9	10,120
St. Lucie 1				
St. Lucie 2				
Turkey Point 3				
Turkey Point 4				
Scherer 4				

RESIDENTIAL FUEL FACTORS FOR THE PERIOD: January 1999 - December 1999

		Florida Power & Light	Florida Power Corporation	Tampa Electric Company	Gulf Power Company	Florida Public Utilities Co. (2)	
						Marianna	Fernandina Beach
Present (cents per kwh):	October 1998 - December 1998	1.976	2.126	2.354	1.646	4.140	3.595
Proposed (cents per kwh):	January 1999 - December 1999	1.980	1.896	2.230	1.682	4.077	3.762
	Increase/Decrease:	0.004	-0.230	-0.124	0.036	-0.063	0.167

TOTAL COST FOR 1,000 KILOWATT HOURS - RESIDENTIAL SERVICE

PRESENT: October 1998 - December 1998	Florida Power & Light	Florida Power Corporation	Tampa Electric Company	Gulf Power Company	Florida Public Utilities Co. (2)	
					Marianna	Fernandina Beach
Base Rate	47.46	49.05	50.62 (3)	43.25	20.43	19.20
Fuel	19.76	21.26	23.54	16.46	41.40	35.95
Energy Conservation	2.15	3.23	1.65	0.20	0.38	0.24
Environmental Cost Recovery	0.30	N/A	0.33	1.38	N/A	N/A
Capacity Recovery	4.69	10.04	1.88	0.54	N/A	N/A
Gross Receipts Tax (1)	0.76	2.14	2.00	0.63	1.60	0.57
Total	\$75.12	\$85.72	\$80.02	\$62.46	\$63.81	\$55.96

PROPOSED: January 1999 - December 1999	Florida Power & Light	Florida Power Corporation	Tampa Electric Company	Gulf Power Company	Florida Public Utilities Co. (2)	
					Marianna	Fernandina Beach
Base Rate	47.46	49.05	51.92	43.25	20.43	19.20
Fuel	19.80	18.96	22.30	16.82	40.77	37.62
Energy Conservation	2.15	3.21	1.65	0.20	0.38	0.24
Environmental Cost Recovery	0.22	N/A	0.28	0.96	N/A	N/A
Capacity Recovery	5.14	11.54	2.06	1.22	N/A	N/A
Gross Receipts Tax (1)	0.77	2.12	2.01	0.64	1.58	0.59
Total	\$75.54	\$84.88	\$80.22	\$63.09	\$63.16	\$57.65

PROPOSED INCREASE / (DECREASE)	Florida Power & Light	Florida Power Corporation	Tampa Electric Company	Gulf Power Company	Florida Public Utilities Co. (2)	
					Marianna	Fernandina Beach
Base Rate	0.00	0.00	1.30	0.00	0.00	0.00
Fuel	0.04	-2.30	-1.24	0.36	-0.63	1.67
Energy Conservation	0.00	-0.02	0.00	0.00	0.00	0.00
Environmental Cost Recovery	-0.08	0.00	-0.05	-0.42	0.00	0.00
Capacity Recovery	0.45	1.50	0.18	0.68	0.00	0.00
Gross Receipts Tax (1)	0.01	-0.02	0.01	0.01	-0.02	0.02
Total	\$0.42	(\$0.84)	\$0.20	\$0.63	(\$0.65)	\$1.69

(1) Additional gross receipts tax is 1% for Gulf, FPL and FPUC-Fernandina Beach. FPC, TECO and FPUC-Marianna have removed all GRT from their rates, and thus entire 2.5% is shown separately. (2) Fuel costs include purchased power demand costs of 1.784 for Marianna and 1.720 cents/KWH for Fernandina allocated to the residential class. (3) TECO's base rates for April-December 1998 include 0.130 cents/kwh refund (Docket No. 960409-EI, Order No. PSC-96-1300-S-EI).

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

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FOR THE PERIOD: January 1999 - December 1999

COMPANY	GROUP	RATE SCHEDULES	BEFORE LINE LOSSES			LINE LOSS MULTIPLIER	FINAL FACTORS ADJUSTED FOR LINE LOSSES			
			Standard	TIME OF USE On/Peak	Off/Peak		Standard	TIME OF USE On/Peak	Off/Peak	
FP&L	A	RS-1,RST-1,GST-1,GS-1,SL-2	1.976	2.136	1.908	1.00205	1.980	2.140	1.912	
	A-1	SL-1,OL-1	1.944	NA	NA	1.00205	1.948	NA	NA	
	B	GSD-1,GSDT-1, CILC-1(G)	1.976	2.136	1.908	1.00204	1.980	2.140	1.912	
	C	GSLD-1,GSLDT-1, CS-1, CST-1	1.976	2.136	1.908	1.00172	1.980	2.140	1.911	
	D	GSLD-2,GSLDT-2, CS-2, CST-2, OS-2, MET	1.976	2.136	1.908	0.99595	1.968	2.127	1.900	
	E	GSLD-3,GSLDT-3,CS-3,CST-3,CILC-1(T),ISST-1(T)	1.976	2.136	1.908	0.95798	1.893	2.046	1.828	
	F	CILC-1(D),ISST-1(D)	NA	2.136	1.908	0.99793	NA	2.131	1.904	
FPC	1	Distribution Secondary Delivery	1.896	2.440	1.627	1.00000	1.896	2.440	1.627	
	2	Distribution Primary Delivery	1.896	2.440	1.627	0.99000	1.877	2.416	1.610	
	3	Transmission Delivery	1.896	2.440	1.627	0.98000	1.858	2.391	1.594	
	4	Lighting Service	1.779	NA	NA	1.00000	1.779	NA	NA	
TECO	A	RS, RST, GS, GST, TS	2.214	3.229	1.772	1.00710	2.230	3.252	1.785	
	A-1	SL-2,OL-1,3	2.214	NA	NA	NA	2.005	NA	NA	
	B	GSD, GSDT, EV-X, GSLD, GSLDT, SBF, SBFT	2.214	3.229	1.772	1.00160	2.218	3.234	1.775	
GULF	C	IS-1 & 3, IST1 & 3, SBI-1 & 3, SBIT1 & 3	2.214	3.229	1.772	0.96810	2.143	3.126	1.715	
	A	RS,GSD,GSDT,OS-III,OS-IV, SBS(100 to 499 kW)	1.662	2.151	1.450	1.01228	1.682	2.177	1.468	
	B	LP, SBS(Contract Demand of 500 to 7499 kW)	1.662	2.151	1.450	0.98106	1.631	2.110	1.423	
	C	PX, PXT, RTP,SBS (Contract Demand above 7499 kW)	1.662	2.151	1.450	0.96230	1.599	2.070	1.395	
FPUC	D	OS-1,OS-2	1.662	NA	NA	1.01228	1.647	NA	NA	
	Fernandina Beach:	A	RS	3.762	NA	NA	1.00000	3.762	NA	NA
		B	GS	3.598	NA	NA	1.00000	3.598	NA	NA
	Marianna:	C	GSD	3.297	NA	NA	1.00000	3.297	NA	NA
		D	OL, OL-2, SL-2, SL-3, CSL	2.310	NA	NA	1.00000	2.310	NA	NA
E		GSLD								
Actual Fuel Cost plus \$6.28 per CP kW										
FPUC	Marianna:	A	RS	4.077	NA	NA	1.00000	4.077	NA	NA
		B	GS	4.014	NA	NA	1.00000	4.014	NA	NA
		C	GSD	3.584	NA	NA	1.00000	3.584	NA	NA
		D	GLSD	3.461	NA	NA	1.00000	3.461	NA	NA
		E	OL, OL-2	2.730	NA	NA	1.00000	2.730	NA	NA
		F	SL1-2, SL-3	2.695	NA	NA	1.00000	2.695	NA	NA

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ORDER NO. PSC-98-1715-FOF-EI
DOCKET NO. 980001-EI
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ATTACHMENT

PROPOSED CAPACITY COST RECOVERY FACTORS

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For the Period: **January 1999 - December 1999**

COMPANY	RATE SCHEDULE	RECOVERY FACTOR	
		(CENTS PER KWH)	
FPL	RS1, RST-1	0.514	
	GS1, GST-1	0.467	
	OL1/SL1	0.241	
	SL2	0.342	
	OS2	0.332	
			RECOVERY FACTOR
		(DOLLARS PER KW)	
	GSD-1, GSDT-1	\$1.89	
	GSLD-1, GSLDT-1 / CS-1, CST-1	\$1.86	
	GSLD-2, GSLDT-2 / CS-2, CST-2	\$1.87	
	GSLD-3, GSLDT-3 / CS-3, CST-3	\$1.80	SDD
	ISST-1D = RDC/SDD	\$0.24	\$0.12
	SST-1T = RDC/SDD	\$0.23	\$0.11
	SST-1D = RDC/SDD	\$0.24	\$0.11
	CILC-1D, CILC-1G	\$1.92	
	CILC-1T	\$1.84	
	MET	\$1.88	
		RECOVERY FACTOR	
		(CENTS PER KWH)	
FPC	RS-1, RST-1, RSL-1	1.154	
	GS-1, GST-1 -Transmission	0.896	
	GS-1, GST-1 - Primary	0.905	
	GS-1, GST-1 -Secondary	0.914	
	GS -2 100% Load Factor	0.623	
	GSD-1, GSDT-1, SS-1-Transmission	0.745	
	GSD-1, GSDT-1, SS-1 - Primary	0.753	
	GSD-1, GSDT-1, SS-1 - Secondary	0.760	
	CS-1, CST-1, SS-3 - Transmission	0.625	
	CS, CST, SS-3 - Primary	0.631	
	CS-1, CST-1, SS-3 - Secondary	0.638	
	IS-1 & 2, , IST-1 & 2, SS-2 - Transmission	0.585	
	IS-1 & 2, IST-1 & 2, SS-2 - Primary	0.591	
	IS-1 & 2, IST-1 & 2, SS-2 - Secondary	0.597	
	LS-1 - Lighting Service	0.222	
	TECO	RS, RST	0.206
GS, GST, TS		0.174	
GSD, GSDT, EV-X		0.143	
GSLD, GSLDT, SBF, SBFT		0.129	
IS-1 & 3, IST-1 & 3, SBI-1 & 3, SBIT-1 & 3		0.012	
SL/OL		0.042	
GULF	RS, RST	0.122	
	GS, GST	0.121	
	GSD, GSDT	0.098	
	LP, LPT	0.081	
	PX, PXT, RTP	0.070	
	OS-I, OS-II	0.030	
	OS-III	0.074	
	OS-IV	0.197	
	SBS	0.070	

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD JANUARY 1999 - DECEMBER 1999

FLORIDA POWER & LIGHT COMPANY

PAGE 4 OF 10
 11/23/98

CLASSIFICATION	Classification Associated \$	Classification Associated MWH	Classification Associated Cents/KWH
1. Fuel Cost of System Net Generation (E3)	1,189,922,690	69,952,399	1.7010
2. Spent NUC Fuel Disposal Cost (E2)	21,931,733	23,531,902 (a)	0.0932
3. Fuel Related Transactions	13,363,153	0	0.0000
4. Natural Gas Pipeline Enhancements	0	0	0.0000
4a. Fuel Cost of Sales to FKEC	(22,169,994)	(1,041,056)	2.1296
5. TOTAL COST OF GENERATED POWER	<u>1,203,047,582</u>	<u>68,911,343</u>	<u>1.7458</u>
6. Fuel Cost of Purchased Power - Exclusive of economy (E7)	133,556,710	10,386,159	1.2859
7. Energy Cost of Sch.C.X Economy Purchases (Broker) (E9)	59,321,340	3,252,268	1.8240
8. Energy Cost of Economy Purchases (Non-Broker) (E9)	9,856,870	445,034	2.2149
9. Energy Cost of Sch.E Purchases (E9)	0	0	0.0000
10. Capacity Cost of Sch.E Economy Purchases (E2)	0	0	0.0000
11. Mission Settlement	2,510,715	0	
12. Payments to Qualifying Facilities (E8)	143,838,067	8,274,232	1.7384
13. TOTAL COST OF PURCHASED POWER	<u>349,083,702</u>	<u>22,357,693</u>	<u>1.5614</u>
14. TOTAL AVAILABLE KWH		<u>91,269,036</u>	
15. Fuel Cost of Economy Sales (E6)	(44,751,853)	(1,741,308)	2.5700
16. Gain on Economy Sales - 80% (E6A)	(4,121,419)	(1,741,308)(a)	0.2367
17. Fuel Cost of Unit Power Sales (SL2 Partrpts) (E6)	(1,966,890)	(534,503)	0.3680
18. Fuel Cost of Other Power Sales (E6)	0	0	0.0000
19. TOTAL FUEL COST & GAINS OF POWER SALES	<u>(50,840,162)</u>	<u>(2,275,811)</u>	<u>2.2339</u>
20. Net Inadvertant Interchange (E4)	0	0	0.0000
21. TOTAL FUEL AND NET POWER TRANSACTIONS	<u>1,501,291,121</u>	<u>88,993,225</u>	<u>1.6870</u>
22. Net Unbilled Sales	(11,964,155)(a)	(709,209)	-0.0143
23. Company Use	4,503,873 (a)	266,980	0.0054
24. T & D Losses	97,583,923 (a)	5,784,560	0.1167
25. Adjusted System KWH Sales	1,501,291,121	83,650,894	1.7947
26. Wholesale KWH Sales	644,354	35,905	1.7946
27. JURISDICTIONAL KWH SALES	<u>1,500,646,767</u>	<u>83,614,989</u>	<u>1.7947</u>
28. Jurisdictional KWH Sales Adjusted for Line Loss - 1.00063	1,501,592,174	<u>83,614,989</u>	1.7958
29. True-up * (derived in Attachment C)	115,679,187	<u>83,614,989</u>	0.1383
30. TOTAL JURISDICTIONAL FUEL COST	1,617,271,361	<u>83,614,989</u>	1.9341
31. Revenue Tax Factor			1.01597
32. Fuel Cost Adjusted for Taxes			1.9650
33. GPIF*	9,353,960	<u>83,614,989</u>	0.0112
34. Total fuel cost including GPIF	<u>1,626,625,321</u>	<u>83,614,989</u>	<u>1.9762</u>
35. TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			1.976

*Based on Jurisdictional Sales
 (a) included for informational purposes only.

**FUEL AND PURCHASED POWER CAPACITY CLAUSE
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD January 1999 - December 1999

FLORIDA POWER CORPORATION

PAGE 5 OF 10
 11/23/98

CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1 Fuel Cost of System Net Generation (E3)	474,154,715	28,784,781,000	1.64724
2 Spent NUC Fuel Disposal Cost	5,094,565	5,448,733,000 (a)	0.09350
3 Nuclear Fuel Replacement Cost	0	0	0.00000
4 Adjustments to Fuel Cost	4,896,000	0	0.00000
5. TOTAL COST OF GENERATED POWER	484,145,280	28,784,781,000	1.68195
6 Energy Cost of Purchased Power -Excl. of cogen. econ. (E7)	42,715,660	2,239,993,000	1.90696
7 Energy Cost of Sch.C.X Economy Purchases (Broker) (E9)	24,214,110	740,000,000	3.27218
8 Energy Cost of Economy Purchases (Non-Broker) (E9)	1,418,360	41,580,000	3.41116
9 Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10 Capacity Cost of Economy Purchases (E9)	0	0 (a)	0.00000
11 Payments to Qualifying Facilities (E8)	162,173,748	7,526,711,000	2.15464
12. TOTAL COST OF PURCHASED POWER	230,521,878	10,548,284,000	2.18540
13. TOTAL AVAILABLE KWH		39,333,065,000	
14 Fuel Cost of Economy Sales (E6)	(17,487,400)	(1,060,000,000)	1.64975
14a Gain on Economy Sales -80% (E6)	(2,270,960)	(1,060,000,000)(a)	0.21424
15 Fuel Cost of Other Power Sales (E6)	(6,978,560)	(282,875,000)	2.46701
15a Gain on Other Power Sales (E6)	(4,050,000)	(282,875,000)(a)	1.43173
16 Fuel Cost of Unit Power Sales (E6)	0	0	0.00000
16a Gain on Unit Power Sales (E6)	0	0 (a)	0.00000
17 Fuel Cost of Stratified Sales (E6)	(33,227,981)	(1,549,090,000)	2.14500
18. TOTAL FUEL COST AND GAINS OF POWER SALES	(64,014,901)	(2,891,965,000)	2.21354
19 Net Inadvertant Interchange	0	0	
20. TOTAL FUEL AND NET POWER TRANSACTIONS	650,652,257	36,441,100,000	1.78549
21. Net Unbilled	2,577,694 (a)	(144,369,000)	0.00757
22. Company Use	3,246,021 (a)	(181,800,000)	0.00953
23 T & D Losses	36,943,541 (a)	(2,069,098,000)	0.10851
24 Adjusted System KWH Sales	650,652,257	34,045,833,000	1.91111
25 Wholesale KWH Sales (Excluding Supplemental sales)	(19,631,822)	(1,027,430,000)	1.91077
26. JURISDICTIONAL KWH SALES	631,020,435	33,018,403,000	1.91112
27. Jurisdictional KWH Sales Adjusted for Line Losses - 1.0011	631,714,557	33,018,403,000	1.91322
28 Prior Period True-Up * (E1-B, sheet 1)	(14,837,877)	33,018,403,000	-0.04494
28a. Market Price True-Up *	(263,847)	33,018,403,000	-0.00080
28b Nuclear Replacement Cost	8,346,290	33,018,403,000	0.02528
29. TOTAL JURISDICTIONAL FUEL COST	624,959,124	33,018,403,000	1.89276
30. Revenue Tax Factor			1.00072
31. Fuel Cost Adjusted for Taxes	625,409,095		1.89412
32. GPIF*	(436,639)	33,018,403,000	-0.00132
33. Total fuel cost including GPIF	624,972,456	33,018,403,000	1.89280
34. TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			1.893

*Based on Jurisdictional Sales
 (a) Included for informational purposes only.

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: **January 1999 - December 1999**

TAMPA ELECTRIC COMPANY

PAGE 6 OF 10
 11/23/98

CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1 Fuel Cost of System Net Generation (E3)	370,767,451	17,949,322,000	2.06563
2 Spent NUC Fuel Disposal Cost	0	0	0.00000
3 Coal Car Investment	0	0	0.00000
4 Adjustments to Fuel Cost (Ft. Meade/Wauchula Wheeling)	(36,000)	17,949,322,000	-0.00020
4a Adjustments to Fuel Cost (Allowances)	0	0 (a)	0.00000
5. TOTAL COST OF GENERATED POWER	370,731,451	17,949,322,000	2.06543
6 Fuel Cost of Purchased Power - Exclusive of Economy (E7)	19,610,500	537,382,000	3.64927
7 Energy Cost of Sch.C.X Economy Purchases (Broker) (E9)	1,103,200	24,265,000	4.54647
8 Energy Cost of Economy Purchases (Non-Broker) (E9)	0	0	0.00000
9 Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10 Capacity Cost of Sch.E Economy Purchases (E2)	0	0 (a)	0.00000
11 Payments to Qualifying Facilities (E8)	8,323,300	415,188,000	2.00471
12. TOTAL COST OF PURCHASED POWER	29,037,000	976,835,000	2.97256
13. TOTAL AVAILABLE KWH		18,926,157,000	
14 Fuel Cost of Economy Sales (E6)	22,131,600	1,179,676,000	1.87607
15 Gain on Economy Sales - 80% (E6)	5,088,960	1,179,676,000 (a)	0.43139
16 Fuel Cost of Scedule D Sales (Jurisdictional)(E6)	1,359,900	68,424,000	1.98746
16a. Fuel Cost of Schedule D Sales - Separated (E6)	4,310,300	259,111,000	1.66350
16b Fuel Cost Schedule D HPP Sales - Contract (E6)	6,041,700	255,600,000	2.36373
16c. Fuel Cost Schedule J Sales Juris. (E6)	559,200	23,420,000	2.38770
17. Fuel Cost of Other D Power Sales	0	0	0.00000
17a. Fuel Cost to Other Contract Sales	0	0	0.00000
18. TOTAL FUEL COST AND GAINS OF POWER SALES	39,491,660	1,786,231,000	2.21089
19. Net Inadvertant Interchange	0	0	0.00000
19b. Interchange and Wheeling Losses	0	26,800,000	0.00000
20. TOTAL FUEL AND NET POWER TRANSACTIONS	360,276,791	17,113,126,000	2.10527
21. Net Unbilled	0 (a)	0	0.00000
22. Company Use	947,372 (a)	45,000,000	0.00583
23. T & D Losses	17,162,509 (a)	815,217,000	0.10560
24. Adjusted System KWH Sales	360,276,791	16,252,909,000	2.21669
25 Wholesale KWH Sales	(5,925,475)	(262,806,000)	2.25470
26. JURISDICTIONAL KWH SALES	354,351,316	15,990,103,000	2.21607
27. Jurisdictional KWH Sales Adjusted for Line Loss - 1.00068	354,592,275	15,990,103,000	2.21757
28. True-up *	(5,261,113)	15,990,103,000	-0.03290
29 Peabody Coal Contract Buyout Amort.	4,635,960	15,990,103,000	0.02899
29a. Fuel Credit Differential	0	15,990,103,000	0.00000
30. TOTAL JURISDICTIONAL FUEL COST	353,967,122	15,990,103,000	2.21366
31. Revenue Tax Factor			1.00072
32. Fuel Cost Adjusted for Taxes	354,221,978		2.21526
33. GPIF * (Already adjusted for taxes)	(188,261)	15,990,103,000	-0.00118
34. Total Fuel Cost including GPIF	354,033,717	15,990,103,000	2.21408
35. TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			2.214

*Based on Jurisdictional Sales
 (a) Included for informational purposes only.

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: January 1999 - December 1999

GULF POWER COMPANY

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	190,141,031	12,440,570,000	1.5284
2.Net Cost of Emission Allowances	0	0	0.0000
3.Other Generation	1,981,161	123,900,000	0.0000
4.TOTAL COST OF GENERATED POWER	<u>192,122,192</u>	<u>12,564,470,000</u>	<u>1.5291</u>
5.Fuel Cost of Purchased Power - Firm (E7)	0	0	0.0000
6.Energy Cost of Sch.C.X Economy Purchases (Broker) (E9)	0	0	0.0000
7.Energy Cost of Economy Purchases (Non-Broker) (E9)	10,269,000	531,400,000	0.0000
8.Energy Cost of Sch.E Purchases (E9)	0	0	0.0000
9.Capacity Cost of Sch.E Economy Purchases (E2)	0	0 (a)	0.0000
10.Payments to Qualifying Facilities (E8)	194,260	8,970,000	2.1657
11.TOTAL COST OF PURCHASED POWER	<u>10,463,260</u>	<u>540,370,000</u>	<u>1.9363</u>
12.TOTAL AVAILABLE KWH (line 4 + line 11)		<u>13,104,840,000</u>	
13.Fuel Cost of Economy Sales (E6)	(1,337,000)	(50,260,000)	2.6602
14.Gain on Economy Sales - 80% (E6)	(141,600)	0 (a)	0.0000
15.Fuel Cost of Unit Power Sales (E6)	(12,794,000)***	(685,670,000)	1.8659
16.Fuel Cost of Other Power Sales	(29,490,000)	(1,716,879,000)	1.7177
17.TOTAL FUEL COST AND GAINS OF POWER SALES	<u>(43,762,600)</u>	<u>(2,452,809,000)</u>	<u>1.7842</u>
18.Net Inadvertant Interchange	0		
19.TOTAL FUEL AND NET POWER TRANSACTIONS	<u>158,822,852</u>	<u>10,652,031,000</u>	<u>1.4910</u>
20.Net Unbilled	0	0	0.0000
21.Company Use	305,402 (a)	20,483,000	1.4910
22.T & D Losses	9,229,022 (a)	618,982,000	1.4910
23.Adjusted System KWH Sales	158,822,852	10,012,566,000	1.5862
24.Wholesale KWH Sales	5,576,080	351,537,000	1.5862
25.JURISDICTIONAL KWH SALES	<u>153,246,772</u>	<u>9,661,029,000</u>	<u>1.5862</u>
26.Jurisdictional KWH Sales Adjusted for Line Loss - 1.00140	153,461,317	<u>9,661,029,000</u>	1.5885
27.True-up *	4,384,575	<u>9,661,029,000</u>	0.0454
28.Total Jurisdictional Fuel Cost	<u>157,845,892</u>	<u>9,661,029,000</u>	1.6339
29.Revenue Tax Factor			1.01597
30.Fuel Cost Adjusted for Taxes			1.6600
31.Special Contract Recovery Cost	123,682	9,661,029,000	0.0013
32.GPIF *	62,632	<u>9,661,029,000</u>	0.0006
33.Total Fuel Cost including GPIF	<u>157,908,524</u>	<u>9,661,029,000</u>	<u>1.6619</u>
34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			1.662

*Based on Jurisdictional Sales

(a) included for informational purposes only.

**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD January 1999 - December 1999

FLORIDA PUBLIC UTILITIES-MARIANNA

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	0	0	0.00000
2.Spent NUC Fuel Disposal Cost (E2)	0	0	0.00000
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	0	0	0.00000
5.TOTAL COST OF GENERATED POWER	<u>0</u>	<u>0</u>	<u>0.00000</u>
6.Fuel Cost of Purchased Power - Firm (E7)	5,995,767	292,476,000	2.05000
7.Energy Cost of Sch.C.X Economy Purchases (Broker) (E9)	0	0	0.00000
8.Energy Cost of Economy Purchases (Non-Broker) (E9)	0	0	0.00000
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Demand & Non Fuel Cost of Purchased Power (E2)	4,590,542	292,476,000 (a)	1.56954
10a.Demand Costs of Purchased Power	4,200,182 (a)		
10b.Non-Fuel Energy & Customer Costs of Purchased Power	390,360 (a)		
11.Energy Payments to Qualifying Facilities (E8A)	0	0	0.00000
12.TOTAL COST OF PURCHASED POWER	<u>10,586,309</u>	<u>292,476,000</u>	<u>3.61955</u>
13.TOTAL AVAILABLE KWH	10,586,309	292,476,000	3.61955
14.Fuel Cost of Economy Sales (E6)	0	0	0.00000
15.Gain on Economy Sales - 80% (E6)	0	0	0.00000
16.Fuel Cost of Unit Power Sales (E6)	0	0	0.00000
17.Fuel Cost of Other Power Sales	0	0	0.00000
18.TOTAL FUEL COST AND GAINS OF POWER SALES	<u>0</u>	<u>0</u>	<u>0.00000</u>
19.Net Inadvertant Interchange	0	0	
20.TOTAL FUEL AND NET POWER TRANSACTIONS	<u>10,586,309</u>	<u>292,476,000</u>	<u>3.61955</u>
21.Net Unbilled	(14) (a)	0	-0.00001
22.Company Use	9,049 (a)	250,000	0.00328
23.T & D Losses	582,219 (a)	16,085,000	0.21084
24.ADJUSTED SYSTEM KWH SALES	10,586,309	276,141,000	3.83366
25.Less Total Demand Cost Recovery	4,200,182		
26.JURISDICTIONAL KWH SALES	<u>6,386,127</u>	<u>276,141,000</u>	2.31263
27.Jurisdictional KWH Sales Adjusted for Line Loss - 1.00	6,386,127	276,141,000	2.31263
28.True-up *	(60,107)	276,141,000	-0.02177
29.TOTAL JURISDICTIONAL FUEL COST	6,326,020	276,141,000	2.29087
30.Revenue Tax Factor			1.00072
31.Fuel Cost Adjusted for Taxes	6,331,271	0	2.29252
32.GPIF *	0	276,141,000	0.00000
33.Total Fuel Cost including GPIF	6,326,020	276,141,000	2.29252
34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			2.293

*Based on Jurisdictional Sales

(a) included for informational purposes only.

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**FUEL & PURCHASED POWER COST RECOVERY
 CLAUSE CALCULATION**

ESTIMATED FOR THE PERIOD: January 1999 - December 1999

FLORIDA PUBLIC UTILITIES-FERNANDINA BEACH

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
1. Fuel Cost of System Net Generation (E3)	0	0	0.00000
2. Spent NUC Fuel Disposal Cost (E2)	0	0	0.00000
3. Coal Car Investment	0	0	0.00000
4. Adjustments to Fuel Cost	0	0	0.00000
5. TOTAL COST OF GENERATED POWER	0	0	0.00000
6. Fuel Cost of Purchased Power - Firm (E7)	7,020,503	380,515,000	1.84500
7. Energy Cost of Sch.C.X Economy Purchases (Broker) (E9)	0	0	0.00000
8. Energy Cost of Economy Purchases (Non-Broker) (E9)	0	0	0.00000
9. Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10. Demand & Non Fuel Cost of Purchased Power (E2)	6,081,302	380,515,000	1.59818
10a. Demand Costs of Purchased Power	5,679,060 (a)		
10b. Non Fuel Energy and Customer Costs of Purchased Power (E2)	402,242 (a)		
11. Energy Payments to Qualifying Facilities (E8A)	89,760	4,800,000	1.87000
12. TOTAL COST OF PURCHASED POWER	13,191,565	385,315,000	3.42358
13. TOTAL AVAILABLE KWH	13,191,565	385,315,000	3.42358
14. Fuel Cost of Economy Sales (E6)	0	0	0.00000
15. Gain on Economy Sales - 80% (E6)	0	0	0.00000
16. Fuel Cost of Unit Power Sales (E6)	0	0	0.00000
17. Fuel Cost of Other Power Sales (E6)	0	0	0.00000
18. TOTAL FUEL COST AND GAINS OF POWER SALES	0	0	0.00000
19. Net Inadvertant Interchange			
20. TOTAL FUEL AND NET POWER TRANSACTIONS	13,191,565	385,315,000	3.42358
21. Net Unbilled	(582) (a)	(17,000)	-0.00016
22. Company Use	14,927 (a)	436,000	0.00406
23. T & D Losses	593,615 (a)	17,339,000	0.16150
24. Adjusted System KWH Sales	13,191,565	367,557,000	3.58898
25. Wholesale KWH Sales	0	0	0.00000
26. JURISDICTIONAL KWH SALES	13,191,565	367,557,000	3.58898
27. Jurisdictional KWH Sales Adjusted for Line Loss - 1.00	13,191,565	367,557,000	3.58898
27a. GSLD KWH Sales		98,400,000	
27b. Other Classes KWH Sales		269,157,000	
27c. GSLD CP KW		258,000,000 (a)	
28. GPIF			
29. True-up *	(126,712)	367,557,000	-0.03447
30. TOTAL JURISDICTIONAL FUEL COST	13,064,853	367,557,000	3.55451

CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD January 1999 - December 1999

FLORIDA PUBLIC UTILITIES-FERNANDINA BEACH

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CLASSIFICATION	Classification Associated \$	Classification Associated KWH	Classification Associated cents/KWH
30a Demand Purchased Power Costs (line 10a)	5,679,060 (a)		
30b Non-Demand Purchased Power Costs (lines 6+10b+11)	7,512,505 (a)		
30c True-up Over/Under Recovery (line 29)	(126,712)(a)		
APPORTIONMENT OF DEMAND COSTS			
31 Total Demand Costs	5,679,060		
32 GSLD Portion of Demand Costs Including line losses (line 27c * \$6.18)	1,594,440	258,000,000 kw	\$6.18 /kw
33 Balance to Other Classes	4,084,620	269,157,000	1.51756
APPORTIONMENT OF NON-DEMAND COSTS			
34 Total Non-Demand Costs (line 30b)	7,512,505		
35 Total KWH Purchased (line 12)		385,315,000	
36 Average Cost per KWH Purchased			1.94970
37 Avg. Cost Adjusted for Transmission line losses (line 36 * 1.03)			2.00820
38 GSLD Non-Demand Costs (line 27a * line 37)	1,976,061	98,400,000	2.00819
39 Balance to Other Customers	5,536,444	269,157,000	2.05696
GSLD PURCHASED POWER COST RECOVERY FACTORS			
40a Total GSLD Demand Costs (Line 32)	1,594,440	258,000,000 kw	\$0.01 /kw
40b Revenue Tax Factor			1.01609
40c GSLD Demand Purchased Power factor adjusted for taxes and rounded:			<u>\$0.01</u>
40d Total Current GSLD Non-Demand Costs (line 38)	1,976,061	98,400,000	2.00819
40e Total Non-Demand Costs including true-up	1,976,061	98,400,000	2.00819
40f Revenue Tax Factor			1.01597
40g GSLD Non-demand costs adjusted for taxes			<u>2.040</u>
OTHER CLASSES PURCHASED POWER COST RECOVERY FACTORS			
41a Total Demand and Non-Demand Purchased Power Costs of other classes (lines 33 + 39)	9,621,064	269,157,000	3.57452
41b Less: Total Demand Cost Recovery	4,084,620 (a)		
41c Total Other Costs to be Recovered	5,536,444 (a)	269,157,000	2.05696
41d Other Classes' Portion of True-up (line 30 C)	(126,712)	269,157,000	-0.04708
41e Total Demand and Non-Demand Costs including True-	5,409,732	269,157,000	2.00988
42 Revenue tax factor			1.01609
			2.04222
43. OTHER CLASSES PURCHASED POWER FACTOR ADJUSTED FOR TAXES ROUNDED TO THE NEAREST .001 CENTS PER KWH:			
			<u>2.042</u>

*Based on Jurisdictional Sales

(a) included for informational purposes only.