

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 090001-EI
FLORIDA POWER & LIGHT COMPANY**

OCTOBER 22, 2009

**IN RE: LEVELIZED FUEL COST RECOVERY
AND CAPACITY COST RECOVERY**

**PROJECTIONS
JANUARY 2010 THROUGH DECEMBER 2010**

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TESTIMONY & EXHIBIT OF:

T.J. KEITH

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF TERRY J. KEITH**

4 **DOCKET NO. 090001-EI**

5 **October 22, 2009**

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Q. Please state your name and address.

A. My name is Terry J. Keith and my business address is 9250 West Flagler Street, Miami, Florida 33174.

Q. By whom are you employed and what is your position?

A. I am employed by Florida Power & Light Company (FPL) as Director, Cost Recovery Clauses in the Regulatory Affairs Department.

Q. Have you previously testified in this docket?

A. Yes, I have.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present for Commission review and approval revised Capacity Cost Recovery (CCR) cost projections for the period January 2010 through December 2010 that reflect the Nuclear Power Plant Cost Recovery (NPPCR) amount approved by the Commission on October 16, 2009.

Q. Have you prepared or caused to be prepared under your direction, supervision or control any exhibits in this

1 **proceeding?**

2 A. Yes, I have. TJK-7 provides the revised CCR schedules for the
3 period January 2010 through December 2010.

4 **Q. What is the NPPCR amount that the Commission approved**
5 **for recovery through the CCR during the January 2010**
6 **through December 2010 period?**

7 A. At the October 16, 2009 agenda conference the Commission
8 authorized FPL to recover \$62,676,366 through the CCR during
9 the January 2010 through December 2010 period.

10 **Q. Is this the same amount that FPL included in the 2010 CCR**
11 **factors at the time of FPL's August 20, 2009 projection filing?**

12 A. No. In its August 20, 2009 filing in this docket, FPL included
13 \$62,792,990 for the NPPCR in the calculation of its 2010 CCR
14 factors, which was the amount that FPL had originally requested
15 in its May 1, 2009 filing in Docket No. 090009-EI. At the October
16 16, 2009 agenda conference, the Commission reduced the
17 Company's requested AFUDC recovery amount by \$116,624,
18 which reduces the overall recovery amount from \$62,792,990 to
19 \$62,676,366.

20 **Q. Does this revision change the CCR factors filed on August**
21 **20, 2009?**

22 A. No. Due to the minor change in the approved NPPCR amount,
23 the CCR factors based on this revised amount do not change

1 from those filed in my testimony on August 20, 2009.

2 **Q. Does this conclude your testimony?**

3 **A. Yes, it does.**

EXHIBIT TJK-7
DOCKET NO. 090001-EI
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OCTOBER 22, 2009

FLORIDA POWER & LIGHT COMPANY
 PROJECTED CAPACITY PAYMENTS
 JANUARY 2010 THROUGH DECEMBER 2010

	PROJECTED												TOTAL
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	
1. CAPACITY PAYMENTS TO NON-COGENERATORS	\$26,710,382	\$26,710,382	\$26,710,382	\$24,381,882	\$24,381,882	\$24,381,882	\$24,381,882	\$24,381,882	\$24,381,882	\$24,381,882	\$24,381,882	\$24,381,882	\$299,568,081
2. SHORT TERM CAPACITY PAYMENTS	\$613,800	\$613,800	\$286,440	\$286,440	\$286,440	\$1,227,600	\$1,227,600	\$1,227,600	\$1,227,600	\$286,440	\$286,440	\$613,800	\$8,184,000
3. CAPACITY PAYMENTS TO COGENERATORS	\$21,000,579	\$21,000,579	\$21,000,579	\$21,000,579	\$21,000,579	\$7,429,487	\$7,429,487	\$7,429,487	\$7,429,487	\$7,429,487	\$7,429,487	\$7,429,487	\$157,009,305
4. SJRPP SUSPENSION ACCRUAL	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$ 179,743	\$2,156,916
5. RETURN REQUIREMENTS ON SJRPP SUSPENSION LIABILITY	\$ (483,766)	\$ (485,428)	\$ (487,090)	\$ (488,752)	\$ (490,415)	\$ (492,077)	\$ (493,739)	\$ (495,402)	\$ (497,064)	\$ (498,726)	\$ (500,388)	\$ (502,051)	(\$5,914,897)
6. INCREMENTAL PLANT SECURITY COSTS	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$ 3,799,400	\$45,592,794
7. TRANSMISSION OF ELECTRICITY BY OTHERS	-	-	-	-	-	-	-	-	-	-	-	-	\$0
8. TRANSMISSION REVENUES FROM CAPACITY SALES	(458,664)	(451,314)	(347,063)	(131,716)	(82,621)	(90,349)	(116,138)	(187,154)	(49,908)	(51,152)	(188,250)	(334,494)	(\$2,488,823)
9. SYSTEM TOTAL	\$51,361,474	\$51,367,162	\$51,142,390	\$49,027,575	\$49,075,008	\$36,435,685	\$36,408,234	\$36,335,556	\$36,471,139	\$35,527,073	\$35,388,313	\$35,567,766	\$504,107,375
10. JURISDICTIONAL % *													99.09578%
11. JURISDICTIONALIZED CAPACITY PAYMENTS													\$499,549,136
12. SJRPP CAPACITY PAYMENTS INCLUDED IN THE 1988 TAX SAVINGS REFUND DOCKET													(\$56,945,592)
13. 2008 FINAL TRUE-UP -- (overrecovery)/underrecovery \$14,920,089													\$70,908,235
													2009 EST 1 ACT TRUE-UP -- (overrecovery)/underrecovery \$55,988,146
14. NUCLEAR COST RECOVERY CLAUSE													\$62,676,366
15. TURKEY POINT UNIT 5 GBRA TRUE-UP (over)/under													\$168,809
16. TOTAL (Lines 11+12+13+14+15)													\$576,356,954
17. REVENUE TAX MULTIPLIER													1.00072
18. TOTAL RECOVERABLE CAPACITY PAYMENTS													<u>\$576,771,931</u>

*CALCULATION OF JURISDICTIONAL %

	AVG. 12 CP AT GEN.(MW)	%
FPSC	18,155	99.09578%
FERC	166	0.90422%
TOTAL	18,320	100.00000%

* BASED ON 2008 ACTUAL DATA

FLORIDA POWER & LIGHT COMPANY
 CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS
 JANUARY 2010 THROUGH DECEMBER 2010

Rate Schedule	(1) AVG 12CP Load Factor at Meter (%)	(2) Projected Sales at Meter (kwh)	(3) Projected AVG 12 CP at Meter (kW)	(4) Demand Loss Expansion Factor	(5) Energy Loss Expansion Factor	(6) Projected Sales at Generation (kwh)	(7) Projected AVG 12 CP at Generation (kW)	(8) Percentage of Sales at Generation (%)	(9) Percentage of Demand at Generation (%)
RS1/RST1	64.192%	52,217,498,280	9,286,047	1.08576889	1.06788768	55,762,423,094	10,082,501	51.75337%	56.57483%
GS1/GST1	65.233%	5,768,906,942	1,009,543	1.08576889	1.06788768	6,160,544,650	1,096,130	5.71763%	6.15059%
GSD1/GSDT1/HLFT1 (21-499 kW)	76.245%	24,314,106,089	3,640,350	1.08568434	1.06782291	25,963,159,518	3,952,271	24.09653%	22.17695%
OS2	60.006%	13,561,632	2,580	1.05367460	1.04305089	14,145,473	2,718	0.01313%	0.01525%
GSLD1/GSLDT1/CS1/CST1/HLFT2 (500-1,999 kW)	78.726%	10,871,856,337	1,576,445	1.08455272	1.06699165	11,600,179,931	1,709,738	10.76618%	9.59367%
GSLD2/GSLDT2/CS2/CST2/HLFT3(2,000+ kW)	88.190%	2,052,798,432	265,720	1.07600621	1.06018236	2,176,340,686	285,916	2.01987%	1.60433%
GSLD3/GSLDT3/CS3/CST3	95.582%	234,597,527	28,018	1.02665485	1.02205318	239,771,149	28,765	0.22253%	0.16141%
ISST1D	99.926%	0	0	1.05367460	1.04305089	0	0	0.00000%	0.00000%
ISST1T	114.364%	0	0	1.02665485	1.02205318	0	0	0.00000%	0.00000%
SST1T	114.364%	131,305,945	13,107	1.02665485	1.02205318	134,201,659	13,456	0.12455%	0.07550%
SST1D1/SST1D2/SST1D3	99.926%	7,094,737	811	1.05367460	1.04305089	7,400,172	855	0.00687%	0.00480%
CILC D/CILC G	91.935%	3,182,827,924	395,209	1.07491341	1.05988309	3,373,425,495	424,815	3.13089%	2.38372%
CILC T	97.893%	1,503,359,195	175,311	1.02665485	1.02205318	1,536,513,046	179,984	1.42605%	1.00992%
MET	65.759%	79,605,290	13,819	1.05367460	1.04305089	83,032,369	14,561	0.07706%	0.08170%
OL1/SL1/PL1	351.558%	573,716,639	18,629	1.08576889	1.06788768	612,664,930	20,227	0.56862%	0.11350%
SL2, GSCU1	100.004%	77,397,030	8,835	1.08576889	1.06788768	82,651,335	9,593	0.07671%	0.05383%
TOTAL		101,028,632,000	16,434,424			107,746,453,507	17,821,530	100.00%	100.00%

- (1) AVG 12 CP load factor based on actual calendar data.
- (2) Projected kwh sales for the period January 2010 through December 2010
- (3) Calculated: Col(2)/(8760 hours * Col(1))
- (4) Based on 2008 demand losses
- (5) Based on 2008 energy losses
- (6) Col(2) * Col(5)
- (7) Col(3) * Col(4)
- (8) Col(6) / total for Col(6)
- (9) Col(7) / total for Col(7)

FLORIDA POWER & LIGHT COMPANY
 CALCULATION OF CAPACITY PAYMENT RECOVERY FACTOR
 JANUARY 2010 THROUGH DECEMBER 2010

Rate Schedule	(1) Percentage of Sales at Generation (%)	(2) Percentage of Demand at Generation (%)	(3) Energy Related Cost (\$)	(4) Demand Related Cost (\$)	(5) Total Capacity Costs (\$)	(6) Projected Sales at Meter (kwh)	(7) Billing KW Load Factor (%)	(8) Projected Billed KW at Meter (kw)	(9) Capacity Recovery Factor (\$/kw)	(10) Capacity Recovery Factor (\$/kwh)
RS1/RST1	51.75337%	56.57483%	\$22,961,456	\$301,207,165	\$324,168,621	52,217,498,280	-	-	-	0.00621
GS1/GST1/WIES1	5.71763%	6.15059%	\$2,536,745	\$32,746,063	\$35,282,808	5,768,906,942	-	-	-	0.00612
GSD1/GSDT1/HLFT1 (21-499 kW)	24.09653%	22.17695%	\$10,690,926	\$118,071,136	\$128,762,062	24,314,106,089	49.88910%	66,762,065	1.93	-
OS2	0.01313%	0.01525%	\$5,825	\$81,198	\$87,023	13,561,632	-	-	-	0.00642
GSLD1/GSLDT1/CS1/CST1/HLFT2 (500-1,999 kW)	10.76618%	9.59367%	\$4,776,640	\$51,077,142	\$55,853,782	10,871,856,337	61.65224%	24,156,387	2.31	-
GSLD2/GSLDT2/CS2/CST2/HLFT3 (2,000+ kW)	2.01987%	1.60433%	\$896,158	\$8,541,526	\$9,437,684	2,052,798,432	65.89883%	4,267,227	2.21	-
GSLD3/GSLDT3/CS3/CST3	0.22253%	0.16141%	\$98,731	\$859,333	\$958,064	234,597,527	69.73597%	460,833	2.08	-
ISST1D	0.00000%	0.00000%	\$0	\$0	\$0	0	40.50671%	0	**	-
ISST1T	0.00000%	0.00000%	\$0	\$0	\$0	0	16.96998%	0	**	-
SST1T	0.12455%	0.07550%	\$55,261	\$401,988	\$457,249	131,305,945	16.96998%	1,059,937	**	-
SST1D1/SST1D2/SST1D3	0.00687%	0.00480%	\$3,047	\$25,542	\$28,589	7,094,737	40.50671%	23,993	**	-
CILC D/CILC G	3.13089%	2.38372%	\$1,389,085	\$12,691,030	\$14,080,115	3,182,827,924	73.47456%	5,934,079	2.37	-
CILC T	1.42605%	1.00992%	\$632,694	\$5,376,887	\$6,009,581	1,503,359,195	77.03476%	2,673,334	2.25	-
MET	0.07706%	0.08170%	\$34,190	\$434,999	\$469,189	79,605,290	57.09909%	190,981	2.46	-
OL1/SL1/PL1	0.56862%	0.11350%	\$252,279	\$604,266	\$856,545	573,716,639	-	-	-	0.00149
SL2/GSCU1	0.07671%	0.05383%	\$34,034	\$286,584	\$320,618	77,397,030	-	-	-	0.00414
TOTAL			\$44,367,071	\$532,404,860	\$576,771,931	101,028,632,000		105,528,836		

Note: There are currently no customers taking service on Schedules ISST1(D) and ISST1(T). Should any customer begin taking service on these schedules during the period, they will be billed using the applicable SST1 factor.

- (1) Obtained from Page 2, Col(8)
- (2) Obtained from Page 2, Col(9)
- (3) (Total Capacity Costs/13) * Col (1)
- (4) (Total Capacity Costs/13 * 12) * Col (2)
- (5) Col (3) + Col (4)
- (6) Projected kwh sales for the period January 2010 through December 2010
- (7) (kWh sales / 8760 hours)/(avg customer NCP)(8760 hours)
- (8) Col (6) / ((7) *730)
- (9) Col (5) / (8)
- (10) Col (5) / (6)

Totals may not add due to rounding

CAPACITY RECOVERY FACTORS FOR STANDBY RATES

Demand =	<u>(Total col 5)/(Doc 2, Total col 7)(.10)(Doc 2, col 4)</u>	
Charge (RDD)	12 months	
Sum of Daily		
Demand =	<u>(Total col 5)/(Doc 2, Total col 7)/(21 onpeak days)(Doc 2, col 4)</u>	
Charge (DDC)	12 months	
CAPACITY RECOVERY FACTOR		
	RDC	SDD
	** (\$/kw)	** (\$/kw)
ISST1D	\$0.28	\$0.14
ISST1T	\$0.28	\$0.13
SST1T	\$0.28	\$0.13
SST1D1/SST1D2/SST1D3	\$0.28	\$0.14