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June 24, 1996

Matthew M. Childs, P.A.

Original  
FILE COPY

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

RE: DOCKET NO. 960007-EI

Dear Ms. Bayó:

Enclosed for filing please find an original and fifteen (15) copies of Florida Power & Light Company's Petition for Approval of Environmental Cost Recovery Projections for Period October 1996 through September 1997 in the above referenced docket.

Also enclosed please find the Testimony of B.T. Birkett and W.M. Reichel.

Very truly yours,



Matthew M. Childs, P.A.

- ACK
- AFA  MMC/ml
- APP  cc: All Parties of Record
- CAF
- CMU
- CTR
- EAG  5-Bass
- LEG
- LIN  3+ orig test.
- OPC
- RCH
- SEC  1
- WAS
- OTH

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost )  
Recovery Clause )

DOCKET NO. 960007-EI  
FILED: JUNE 24, 1996

PETITION FOR APPROVAL OF ENVIRONMENTAL  
COST RECOVERY PROJECTIONS FOR PERIOD  
OCTOBER 1996 THROUGH SEPTEMBER 1997

Florida Power & Light Company ("FPL"), pursuant to Order No. PSC-93-1580-FOF-EI, hereby petitions this Commission for authorization to recover \$12,874,283 of Environmental Compliance Costs projected for the period October 1996 through September 1997 and for the approval of kW and kWh billing factors for the October 1996 through September 1997 billing period as shown on Attachment 1, effective starting with meter readings scheduled to be read on or after Cycle Day 3, and to continue these charges in effect until modified by subsequent order of this Commission. In support of this Petition, FPL incorporates the prepared written testimony of and documents sponsored by Messrs. B. T. Birkett and W. M. Reichel and states:

1. Florida Statutes Section 366.8255, which became effective on April 13, 1993, authorizes the Commission to review and approve the recovery of prudently incurred Environmental Compliance Costs.

2. The Environmental Cost Recovery Factors developed and proposed by FPL for the period October 1996 through September 1997, reflect a final \$65,778 underrecovery for the October 1995 through

March 1996 period and an estimated/actual \$31,106 overrecovery for the April 1996 through September 1996 period.

3. As shown by the testimony and documents of Messrs. Birkett and Reichel, the Environmental Compliance Costs for FPL for the period October 1996 through September 1997 are \$12,874,283. Mr. Reichel's prepared testimony and documents presents for each new environmental compliance action: a) a description of the environmental compliance action for which cost recovery is sought; b) a copy of or citation to the law, order, regulation or other requirement with which each environmental compliance action is intended to comply; c) a listing of the costs associated with each environmental compliance action and the timing of those costs; and, d) a demonstration of the appropriateness of each compliance action together with a comparison of alternatives, where appropriate, to achieve compliance with the applicable law, order, rule, etc. requiring environmental compliance action. FPL submits that this information shows that the environmental compliance costs FPL requests authorization to recover are prudent and meet the requirements for recovery set forth in Section 366.8255, Fla. Stats.

FPL is also petitioning this Commission for authorization to file the Environmental Cost Recovery Clause filings on an annual basis instead of the current semi-annual basis. Under current procedures for the clause, a project is to be approved by the Commission prior to the expenditure of costs to be recovered through the clause. If the filing is made on an annual basis, this

procedure could result in delays in the implementation of environmental projects between filings due to the inability for the utility to recover the project costs. In order to eliminate this problem, FPL is requesting that the Commission allow the recovery of reasonable and prudent project costs after they are expended, with Commission review and approval.

WHEREFORE, FPL respectfully Petitions for authorization to recover \$12,874,283 of Environmental Compliance Costs and for approval of kW and kWh billing factors for the October 1996 through September 1997 billing period, which reflect a final \$65,778 underrecovery for the October 1995 through March 1996 period and an estimated/actual \$31,106 overrecovery for the April 1996 through September 1996 period, effective starting with meter readings scheduled to be read on or after Cycle Day 3, and to continue these charges in effect until modified by subsequent order of this Commission.

DATED this 24th day of June, 1996.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP  
215 South Monroe Street  
Suite 601  
Tallahassee, FL 32301  
Attorneys for Florida Power  
& Light Company

By:   
Matthew M. Childs, P.A.

**Florida Power & Light Company**  
**Environmental Cost Recovery Clause**  
**Calculation of Environmental Cost Recovery Clause Factors**  
**October 1996 to September 1997**

<u>Rate Class</u>	(1) Percentage of KWH Sales at Generation (%)	(2) Percentage of 12 CP Demand at Generation (%)	(3) Energy Related Cost (\$)	(4) Demand Related Cost (\$)	(5) Total Environmental Costs (\$)	(6) Projected Sales at Meter (KWH)	(7) Environmental Cost Recovery Factor (\$/KWH)
RS1	53.20547%	60.85590%	\$4,344,440	\$2,865,630	\$7,210,070	41,807,749,293	0.00017
GS1	6.25971%	6.43277%	\$511,131	\$302,911	\$814,042	4,918,750,249	0.00017
GSD1	22.77095%	18.56948%	\$1,859,341	\$874,414	\$2,733,755	17,893,046,568	0.00015
OS2	0.02610%	0.01926%	\$2,131	\$907	\$3,033	20,959,421	0.00014
GSLD1/CS1	9.25007%	7.94518%	\$755,306	\$374,129	\$1,129,435	7,270,483,851	0.00016
GSLD2/CS2	2.01133%	1.69629%	\$164,233	\$79,876	\$244,109	1,587,641,754	0.00015
GSLD3/CS3	0.92582%	0.79039%	\$75,597	\$37,218	\$112,815	758,060,128	0.00015
ISST1D	0.00294%	0.00106%	\$240	\$50	\$290	2,313,412	0.00013
SST1T	0.12588%	0.17744%	\$10,279	\$8,355	\$18,634	103,069,640	0.00018
SST1D	0.08925%	0.04248%	\$7,288	\$2,000	\$9,288	71,104,739	0.00013
CILC D/CILC G	3.20613%	2.27992%	\$261,794	\$107,359	\$369,153	2,528,505,648	0.00015
CILC T	1.36696%	0.95114%	\$111,618	\$44,788	\$156,406	1,119,271,028	0.00014
MET	0.10805%	0.10733%	\$8,823	\$5,054	\$13,877	86,779,954	0.00016
OL1/SL1	0.55815%	0.06645%	\$45,575	\$3,129	\$48,704	438,580,084	0.00011
SL2	0.09320%	0.06493%	\$7,610	\$3,057	\$10,667	73,231,231	0.00015
<b>TOTAL</b>			<b>\$8,165,406</b>	<b>\$4,708,877</b>	<b>\$12,874,283</b>	<b>78,679,547,000</b>	<b>0.00016</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 8

(2) From Form 42-6P, Col 9

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

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

(5) Col 3 + Col 4

(6) Projected KWH sales for the period October 1996 through September 1997

(7) Col 5 / 6 x 100

**CERTIFICATE OF SERVICE  
DOCKET NO. 960007-EI**

**I HEREBY CERTIFY** that a true and correct copy of Florida Power & Light Company's Petition for Approval of Environmental Cost Recovery Projections for Period October 1996 through September 1997 and Testimony of B.T. Birkett and W. M. Reichel have been furnished by Hand Delivery (\*\*\*) and U. S. Mail this 24th day of June, 1996, to the following:

Vicki D. Johnson, Esq.\*\*  
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Matthew M. Childs, P.A.