# STEEL **I** HECTOR **B**DAVIS

REGISTERED LIMITED LIABILITY PARTNERSHIP

GINAL Steel Hector & D

215 South Monroe, Suite 601 Tallahassee, Florida 32301-1804 850.222.2300 850.222.8410 Fax www.steelhector.com

Matthew M. Childs, P.A.

October 14, 1999

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

> DOCKET NO.990001-EI RE:

Dear Ms. Bayó:

Enclosed for filing please find the original and ten(10) copies of Florida Power & Light Company's List of Issues and Positions in the above-referenced docket.

Also enclosed is a formatted high density 3.5 inch diskette containing the List of Issues and Positions of Florida Power & Light Company.

Matthew M. Childs, P.A.

AFA

APP All Parties of Record CAF

CMA

LEG MAS OPC PAL

SEC WAW OTH

Caracas

DOCUMENT NUMBER-DATE

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased cost recovery clause and generating performance incentive factor	power	) ) )	NO. 9900 OCTOBER	
		_)		

### FLORIDA POWER & LIGHT COMPANY'S LIST OF ISSUES AND POSITIONS

#### FUEL ADJUSTMENT ISSUES

- 1. What are the appropriate final fuel adjustment true-up amounts for the period April 1998 through December 1998?
  - **FPL:** \$33,531,098 overrecovery.
- 2. What are the estimated/actual fuel true-up amounts for the period January through December, 1999 based upon eight months actual and four months revised estimates?
  - FPL: \$8,846,485 overrecovery.
- 3. What are the total fuel adjustment true-up amounts to be collected/refunded during the period January, 2000 through December, 2000?
  - **FPL:** \$42,377,583 overrecovery.
- 4. What are the appropriate levelized fuel cost recovery factors for the period January, 2000 through December, 2000?
  - FPL: 1.894 cents/kwh is the levelized recovery charge to be collected during the period January, 2000 through December, 2000.

4a. What is the appropriate projected total jurisdictional fuel cost recovery amount to be included in the recovery factor for the period January 2000 through December 2000.

FPL: \$1,587,053,869, as shown in Appendix II, page 3, Schedule E-1, line 30.

5. What should be the effective date of the new fuel adjustment charge and capacity cost recovery charge for billing purposes?

FPL: The Company is requesting that the new Fuel Cost Recovery Factors should become effective with customer bills for January 2000 through December 2000. This will provide 12 months of billing on the Fuel Cost Recovery and Capacity Cost Recovery Factors for all customers.

6. What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class?

**FPL:** The appropriate Fuel Cost Recovery Loss Multipliers are provided in response to Issue No. 7.

7. What are the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses?

FPL:

GROUP S	RATE SCHEDULE	AVERAGE FACTOR	FUEL RECOVERY LOSS MULTIPLIER	FUEL RECOVERY FACTOR
A F	RS-1,GS-1,SL-2	1.894	1.00225	1.899
A-1* S	SL-1,OL-1,PL1	1.857	1.00225	1.861
В	GSD-1	1.894	1.00216	1.898
C G	GSLD-1 & CS-1	1.894	1.00087	1.896
	GSLD-2,CS-2, DS-2 & MET	1.894	0.99510	1.885
E G	GSLD-3 & CS-3	1.894	0.95792	1.815

GROUI A	SCHEDULE	AVERAGE FACTOR	FUEL RECOVERY LOSS MULTIPLIER	FUEL RECOVERY FACTOR
A	ON-PEAK OFF-PEAK	2.069 1.817	1.00225 1.00225	2.074 1.821
В	GSDT-1,CILC-1(G) ON-PEAK OFF-PEAK	2.069 1.817	1.00216 1.00216	2.073 1.821
С	GSLDT-1 & CST-1 ON-PEAK OFF-PEAK	2.069 1.817	1.00087 1.00087	2.071 1.819
D	GSLDT-2 & CST-2 ON-PEAK OFF-PEAK	2.069 1.817	0.99510 0.99510	2.059 1.808
E	GSLDT-3,CST-3 CILC-1(T)&ISST-1(T) ON-PEAK	2.069	0.95792	1.982
	OFF-PEAK	1.817	0.95792	1.741
F	CILC-1(D)& ISST-1(D) ON-PEAK	2.069	0.99465	2.058
	OFF-PEAK	1.817	0.99465	1.807

\*WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK

8. What is the appropriate revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of January, 2000 through December, 2000?

FPL: 1.01597 is the revenue tax factor to be applied for the projection period of January, 2000 through December, 2000.

#### COMPANY SPECIFIC FUEL ISSUES

1. Should FPL be allowed to recover, through the fuel clause, the "last core" of unburned nuclear fuel at the end of nuclear plant operations, amortized over the remaining operating lives of the nuclear units?

FPL: Yes. Amortization of the "last core", on a going forward basis, would appropriately match the total costs of fuel to the customers receiving service related to those costs.

2. Should FPL be allowed to recover, through the Fuel Clause, the \$5,065,558 Court-ordered payment to Cedar Bay for the resolution of a fuel pricing dispute?

FPL: Yes. The payment is for energy purchased by FPL from the Cedar Bay cogeneration facility over the last several years and it represents the difference between the amount FPL originally paid to Cedar Bay and the amount FPL would have paid based on the Court's interpretation of fuel pricing, including interest.

#### GENERATING PERFORMANCE INCENTIVE FACTOR (GPIF) ISSUES

9. What is the appropriate GPIF reward or penalty for performance achieved during the period of October, 1997 through September, 1998?

**FPL:** \$9,669,694 reward.

10. What is the appropriate GPIF reward or penalty for performance achieved during the period of October, 1998 through December, 1998?

**FPL:** \$1,697,372 reward.

11. What should the GPIF Target/Ranges be for the period of January 2000 through December 2000?

FPL: The Targets and Ranges should be as set forth in the Testimony and Exhibits of R. Silva including the following:

PLANT/UNIT	EAF TARGET(%)	HEAT RATE HR. TARGET (BTU/Kwh)
CAPE CANAVERAL 1	92.4	9511
CAPE CANAVERAL 2	78.2	9690
LAUDERDALE 4	93.5	7349
LAUDERDALE 5	93.5	7358
FORT MYERS 2	92.7	9321
MANATEE 2	71.7	10162
MARTIN 3	94.2	6996
MARTIN 4	91.6	6906
PORT EVERGLADES 3	95.8	9748
PORT EVERGLADES 4	88.2	9664
PUTNAM 1	91.2	8937
SANFORD 4	92.3	10016
SANFORD 5	89.3	10290
TURKEY POINT 3	84.6	11066
TURKEY POINT 4	84.6	11093
ST. LUCIE 1	93.6	10854
ST. LUCIE 2	84.6	10872
SCHERER 4	94.2	9989

GPIF SYSTEM WEIGHTED AVERAGE NET OPERATING HR 9473

#### CAPACITY COST RECOVERY ISSUES

- 12. What is the appropriate final capacity cost recovery true-up amount for the period April, 1998 through December 1998?
  - **FPL:** \$5,204,837 overrecovery.
- 13. What is the estimated/actual capacity true-up amount for the period January, 1999 through December, 1999, which is based upon eight months actual costs and four months revised estimates?
- 14.
- **FPL:** \$79,064,052 overrecovery.
- 14. What is the total capacity true-up amount to be collected/refunded during the period January, 2000 through December, 2000?
  - **FPL:** \$84,268,889 overrecovery.

15. What is the appropriate projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period January, 2000 through December, 2000?

**FPL:** \$375,954,541.

16. What are the appropriate Capacity Cost Recovery Factors for the period January, 2000 through December, 2000 for each rate group?

FPL:	ar na atmir	DEGOVERN	CAPACITY RECOVERY	
RATE CLASS	<del></del>	RECOVERY (\$/KW)	FACTOR (\$/KWH)	
RS1	-	(4, 5)	0.00477	
GS1	-		0.00459	
GSD1	1.78		-	
OS2	-		0.00216	
GSLD1/CS1	1.78		-	
GSLD2/CS2	1.76		-	
GSLD3/CS3	1.87		-	
CILCD/CILCG	1.83		-	
CILCT	1.83		-	
MET	1.94		_	
OL1/SL1/PL1	-		0.00188	
SL2	-		0.00322	
RATE CLASS		ECOVERY FACTO ON DEMAND CHA		¥
ISST1D	.23		.11	
SST1T	.22		.10	
SST1D	.23		.11	

#### COMPANY SPECIFIC CAPACITY ISSUE

1. Should FPL be allowed to recover through the Capacity Clause the \$13,427,896 Court-ordered payment to Cedar Bay for the resolution of a capacity pricing dispute?

FPL: Yes. The payment is for capacity purchased by FPL from the Cedar Bay cogeneration facility over the last several years and it represents the difference between the amount FPL originally paid to Cedar Bay and the amount FPL would have paid based on the Court's interpretation of capacity pricing, including interest.

#### WITNESSES AND SUBJECT MATTER

WITNESS	SPONSOR	SUBJECT MATTER	EXHIBIT TITLES
R. SILVA	FPL	Fuel Cost Recovery Forecast Assumptions	Appendix I
K.M. DUBIN	FPL	Fuel Cost Recovery, Estimated/Actual True-Up January 1999 through December 1999	Appendix II
R. SILVA K.M. DUBIN R.L. WADE	FPL FPL FPL	Levelized Fuel Cost Recovery Factors for January 2000 through December 2000	Appendix II
K.M. DUBIN	FPL	Capacity Cost Recovery Factors for January 2000 through December 1999	Appendix III
K.M. DUBIN	FPL	Levelized Fuel Cost Recovery and Capacity	Appendix I
		Cost Recovery Final True-up for April 1998 through December 1998	Appendix II

WITNESS R. SILVA	SPONSOR FPL	SUBJECT MATTER GPIF, Performance Results	EXHIBIT TITLES Performance Results October 1997- September 1998
R. SILVA	FPL	GPIF, Performance Results	Performance Results October 1998 through December 1998
R. SILVA	FPL	GPIF, Incentive Factor	Targets and Ranges January 2000- December 2000

Dated this 14th day of October, 1999.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP
215 South Monroe Street
Suite 601
Tallahassee, FL 32301-1804
Attorneys for Florida Power
& Light Company

pv.

Matthew M. Childs, P.A.

## CERTIFICATE OF SERVICE DOCKET NO. 990001-EI

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's List of Issues and Positions has been furnished by Hand Delivery,\* or U.S. Mail this 14th day of October, 1999, to the following:

Wm. Cochran Keating IV, Esq.\* Division of Legal Services FPSC 2540 Shumard Oak Blvd. Rm.370 Tallahassee, FL 32399-0850

Joseph A. McGlothlin, Esq. Vicki Gordon Kaufman, Esq. McWhirter, Reeves, McGlothlin, Davidson, et al. 117 South Gadsden Street Tallahassee, FL 32301

G. Edison Holland, Esq. Jeffrey A. Stone, Esq. Beggs and Lane P. O. Box 12950 Pensacola, FL 32576

Norman H. Horton, Esq. Floyd R. Self, Esq. Messer, Caparello & Self 215 South Monroe St. #701 P.O. Box 1876 Tallahassee, FL 32302-0551

Suzanne Brownless, P.A. 1311-B Paul Russell Road Suite 201 Tallahassee, Florida 32301

Ms. Angela Llewellyn Regulatory Specialist Regulatory & Business Specialist Tampa Electric Co. Post Office Box 111 Tampa, FL 33601 John Roger Howe, Esq.
Office of Public Counsel
111 West Madison Street
Room 812
Tallahassee, FL 32399

Lee L. Willis, Esq. James D. Beasley, Esq. Ausley & McMullen 227 S. Calhoun Street P. O. Box 391 Tallahassee, FL 32302

James A. McGee, Esq. Florida Power Corporation P. O. Box 14042 St. Petersburg, FL 33733

John W. McWhirter, Jr., Esq.
McWhirter, Reeves, McGlothlin,
Davidson, et al.
Post Office Box 3350
Tampa, Florida 33601-3350

Mr. John T. English President & CEO Florida Public Utilities Co. P.O. Box 3395 West Palm Beach, FL 33402

Matthew M. Childs, P.A.