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090001-EI

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Subject: 9.28.09 Electronic Filing / Dkt #090001-EI / FPL's List of Issues and Positions
Attachments: 9.28.09.Preliminary List of Issues.doc; 9.28.09.Preliminary List of Issues.pdf

Electronic Filing

a. Person responsible for this electronic filing:

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b. Docket No. 090001 - EI
In RE: Fuel and purchased power cost recovery clause with generating performance incentive factor

c. The Document is being filed on behalf of Florida Power & Light Company.

d. There are a total of 8 pages

e. The document attached for electronic filing is Florida Power & Light Company's List of Issues and Positions

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DOCUMENT NUMBER-DATE

09972 SEP 28 08

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power)
Cost Recovery Clause and)
Generating Performance)
Incentive Factor)

DOCKET NO. 090001-EI
FILED: September 28, 2009

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

COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

ISSUE 2A: Should the Commission approve as prudent, FPL's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in FPL's April 2009 and August 2009 hedging reports?

FPL: FPL's actions to mitigate the price volatility of natural gas, residual oil and purchased power prices, as reported in FPL's April 2009 and August 2009 hedging reports are reasonable and prudent. (YUPP)

ISSUE 2B: Should the Commission approve FPL's 2010 Risk Management Plan?

FPL: Yes. On August 5, 2008, FPL filed a petition in this docket requesting approval of Hedging Order Clarification Guidelines (the "Hedging Guidelines"). The Hedging Guidelines were approved at the Commission's September 16, 2008 Agenda Conference. Section I of the Hedging Guidelines would provide for investor-owned utilities such as FPL to file a risk management plan covering the activities to be undertaken during the following calendar year for hedges applicable to subsequent years, and for the Commission to review such plans for approval in the annual fuel adjustment hearing held in November. FPL's Risk Management Plan is consistent with the Hedging Guidelines and should be approved. (YUPP)

ISSUE 2C: With respect to the February 26, 2008 outages, should FPL or its customers be responsible for \$6,086,178 in replacement power costs associated with the outages?

FPL: Pursuant to agreement between OPC and FPL, this issue should be considered in the 2010 fuel docket.

DOCUMENT NUMBER-DATE

09972 SEP 28 09

FPSC-COMMISSION CLERK

FUEL ADJUSTMENT ISSUES

ISSUE 6: What are the appropriate actual benchmark levels for calendar year 2009 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FPL: \$18,328,381 (KEITH)

ISSUE 7: What are the appropriate estimated benchmark levels for calendar year 2010 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FPL: \$16,160,850 subject to adjustments in the 2009 final true-up filing to include all actual data for the year 2009. (KEITH)

ISSUE 8: What are the appropriate final fuel adjustment true-up amounts for the period January, 2008 through December, 2008?

FPL: \$79,321,012 under-recovery. (KEITH)

ISSUE 9: What are the appropriate estimated/actual fuel adjustment true-up amounts for the period January, 2009 through December 2009?

FPL: \$444,164,222 over-recovery. (KEITH)

ISSUE 10: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January, 2010 through December, 2010?

FPL: \$364,843,209 over-recovery. (KEITH)

ISSUE 11: What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January, 2010 through December, 2010?

FPL: 1.00072. (KEITH)

ISSUE 12: What are the appropriate projected net fuel and purchased power cost recovery amounts to be included in the recovery factor for the period January, 2010 through December, 2010?

FPL: \$3,840,383,227 including prior period true-ups and revenue taxes. (KEITH)

ISSUE 13: What are the appropriate levelized fuel cost recovery factors for the period January, 2010 through December, 2010?

FPL: 3.813 cents/kWh (KEITH)

ISSUE 14: What are 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?

FPL: The appropriate Fuel Cost Recovery Loss Multipliers are provided in response to Issue No. 15. (KEITH)

ISSUE 15: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

FPL:

FLORIDA POWER & LIGHT COMPANY

FUEL RECOVERY FACTORS - BY RATE GROUP
(ADJUSTED FOR LINE/TRANSFORMATION LOSSES)

JANUARY 2010 – DECEMBER 2010

(1) GROUP	(2) RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) FUEL RECOVERY FACTOR
A	RS-1 first 1,000 kWh all additional kWh	3.813 3.813	1.00171 1.00171	3.496 4.496
A	GS-1, SL-2, GSCU-1, WIES-1	3.813	1.00171	3.819
A-1*	SL-1, OL-1, PL-1	3.704	1.00171	3.710
B	GSD-1	3.813	1.00166	3.819
C	GSLD-1 & CS-1	3.813	1.00078	3.816
D	GSLD-2, CS-2, OS-2 & MET	3.813	0.99330	3.787
E	GSLD-3 & CS-3	3.813	0.95872	3.655
A	RST-1, GST-1 ON-PEAK OFF-PEAK	4.305 3.590	1.00171 1.00171	4.312 3.596
B	GSDT-1, CILC-1(G), ON-PEAK HLFT-1 (21-499 kW) OFF-PEAK	4.305 3.590	1.00165 1.00165	4.312 3.596
C	GSLDT-1, CST-1, ON-PEAK HLFT-2 (500-1,999 kW) OFF-PEAK	4.305 3.590	1.00087 1.00087	4.309 3.593
D	GSLDT-2, CST-2, ON-PEAK HLFT-3 (2,000+) OFF-PEAK	4.305 3.590	0.99449 0.99449	4.281 3.570
E	GSLDT-3, CST-3, ON-PEAK CILC -1(T) OFF-PEAK & ISST-1(T)	4.305 3.590	0.95872 0.95872	4.127 3.442
F	CILC -1(D) & ON-PEAK ISST-1(D) OFF-PEAK	4.305 3.590	0.99371 0.99371	4.278 3.567

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

ISSUE 16: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

FPL: FPL is requesting that the fuel adjustment charge and the Capacity Cost Recovery factors become effective with customer bills for January 2010 (cycle day 1) through December 2010 (cycle day 21). This will provide for 12 months of billing for all customers. (KEITH)

GENERATING PERFORMANCE INCENTIVE FACTOR (GPIF) ISSUES

ISSUE 21: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January, 2008 through December, 2008 for each investor-owned electric utility subject to the GPIF?

FPL: \$11,464,340 reward. (KENNEDY)

ISSUE 22: What should the GPIF target/ranges be for the period January, 2010 through December, 2010 for each investor-owned electric utility subject to the GPIF?

FPL: The targets and ranges should be as set forth in the Testimony and Exhibits of R. Kennedy including the following:

PLANT/UNIT	EAF TARGET (%)	HEAT RATE HR. TARGET (BTU/KWH)
Ft. MYERS 2	92.7	6,952
MARTIN 8	85.5	6,826
MANATEE 3	94.3	6,750
SANFORD 4	89.7	6,968
SANFORD 5	88.2	6,969
SCHERER 4	74.4	10,151
ST. LUCIE 1	81.3	10,868
ST. LUCIE 2	76.7	11,207
TURKEY POINT 3	82.3	11,474
TURKEY POINT 4	93.6	11,470

(KENNEDY)

COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 24A: Has FPL included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 090009-EI?

FPL: Yes. FPL has included \$ 62,792,990 in its 2010 capacity cost recovery clause factors. (KEITH)

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 27: What are the appropriate final capacity cost recovery true-up amounts for the period January, 2008 through December, 2008?

FPL: \$14,920,089 under- recovery. (KEITH)

ISSUE 28: What are the appropriate estimated/actual capacity cost recovery true-up amounts for the period January, 2009 through December, 2009?

FPL: \$55,988,146 under-recovery. (KEITH)

ISSUE 30: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January, 2010 through December, 2010?

FPL: \$70,908,235 under-recovery. (KEITH)

ISSUE 31: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January, 2010 through December, 2010?

FPL: \$576,888,639 including prior period true-ups and revenues taxes. (KEITH)

ISSUE 32: What are the appropriate jurisdictional separation factors to be applied to determine the capacity costs to be recovered during the period January, 2010 through December, 2010?

FPL: The appropriate jurisdictional separation factors are:

FPSC	99.09578%	
FERC	0.90422%	(KEITH)

ISSUE 33: What are the appropriate capacity cost recovery factors for the period January, 2010 through December, 2010?

FPL:

Rate Schedule	Capacity Recovery Factor (\$/kw)	Capacity Recovery Factor (\$/kwh)
RS1/RST1	-	.00621
GS1/GST1/WIES1	-	.00612
GSD1/GSDT1/HLFT1(21-499 kW)	1.93	-
OS2	-	.00642
GSLD1/GSLDT1/CS1/CST1/HLFT2(500-1,999 kW)	2.31	-
GSLD2/GSLDT2/CS2/CST2/HLFT3(2,000+ kW)	2.21	-
GSLD3/GSLDT3/CS3/CST3	2.08	-
CILC D/CILC G	2.37	-
CILC T	2.25	-
MET	2.46	-
OL1/SL1/PL1	-	0.00149
SL2/ GSCU1	-	0.00414

RATE CLASS	CAPACITY RECOVERY FACTOR (RESERVATION DEMAND CHARGE) (\$/KW)	CAPACITY RECOVERY FACTOR (SUM OF DAILY DEMAND CHARGE) (\$/KW)
ISST1D	.28	.14
ISST1T	.28	.13
SST1T	.28	.13
SST1D1/SST1D2 /SST1D3	.28	.14

(KEITH)

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CERTIFICATE OF SERVICE

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