BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor.

DOCKET NO. 960001-EI
ORDER NO. PSC-96-0353-FOF-EI
ISSUED: MARCH 13, 1996

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING

APPEARANCES:

JEFFREY A. STONE, Esquire, and RUSSELL A. BADDERS, Esquire, of Beggs & Lane, 700 Blount Building, 3 West Garden Street, P.O. Box 12950, Pensacola, Florida 32576-2950
On behalf of Gulf Power Company.

JAMES D. BEASLEY, Esquire, Macfarlane, Ausley, Ferguson & McMullen, Post Office Box 391, Tallahassee, Florida 32302
On behalf of Tampa Electric Company.

VICKI GORDON KAUFMAN, Esquire, McWhirter, Reeves, McGlothlin, Davidson, Rief & Bakas, 117 South Gadsden Street, Tallahassee, Florida 32301
On behalf of the Florida Industrial Power Users Group.

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

VICKI D. JOHNSON, Esquire, and LORNA WAGNER Esquire, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commission Staff.

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

BY THE COMMISSION:

As part of this Commission's continuing fuel cost recovery, oil backout cost recovery, capacity cost recovery, and environmental cost recovery proceedings, hearings are held semi-annually. Pursuant to notice, a hearing was held in this docket on February 21, 1996. The hearing addressed the issues set out in the body of the Prehearing order, Order No.PSC-96-0241-PHO-EI, issued February 19, 1996. The participating parties stipulated to a resolution for some of the issues presented, and we hereby approve the stipulations of the parties as described below. The approved fuel and capacity cost recovery factors are set forth in Attachment 2, which is incorporated in this order.

Generic Fuel Adjustment Issues

The parties agreed to, and we approve as appropriate, the following final fuel adjustment true-up amounts for the period April, 1995 through September, 1995:

FPC:	$ 617,421 overrecovery	
FPL:	$33,181,566 underrecovery	
FPUC:	Marianna:	$131,269 overrecovery
	Fernandina Beach:	$ 19,084 underrecovery
GULF:	$ 1,760,840 overrecovery	
TECO:	$ 437,285 underrecovery	

The parties agreed to, and we approve as appropriate the following estimated fuel adjustment true-up amounts for the period October, 1995 through March, 1996:

FPC:	$ 6,533,077 underrecovery.	
FPL:	$64,536,189 underrecovery.	
FPUC:	Marianna:	$ 207 overrecovery.
	Fernandina Beach:	$71,764 overrecovery.
GULF:	$496,180 underrecovery	
TECO:	$1,037,187 overrecovery.	

The parties agreed to, and we approve as appropriate the total fuel adjustment true-up amounts to be collected during the period April, 1996 through September, 1996:

FPC:	$5,915,935 underrecovery.
FPL:	$97,684,026 underrecovery. The total true-up amount includes a $33,729 overrecovery oil backout true-up amount as set forth in Order No. PSC-95-1089-FOF-EI.
FPUC:	Marianna: $131,476 overrecovery Fernandina Beach: $ 52,680 overrecovery
GULF:	$1,264,660 overrecovery.
TECO:	$599,902 overrecovery.

We find that the appropriate levelized fuel cost recovery factors for the period April, 1996 through September, 1996 are as follows:

FPC:	1.887 cents per kwh (adjusted for jurisdictional losses).
FPL:	2.071 cents per kwh.
FPUC:	Marianna: 2.898 cents per kwh. Fernandina Beach: 3.295 cents per kwh.
GULF:	2.166 cents per kwh.
TECO:	2.392 cents per kwh. This factor includes recovery of a $184,613 underrecovery oil backout true-up amount for the period April through December, 1995 period.

For billing purposes, the new fuel adjustment charge, oil backout charge and capacity cost recovery charge shall be effective beginning with the specified fuel cycle and thereafter for the period April, 1996 through September, 1996. Billing cycles may start before April 1, 1996, and the last cycle may be read after September 30, 1996, so that each customer is billed for six months regardless of when the adjustment factor became effective.

The parties also agreed to, and we approve as appropriate, the following fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class:

FPC:

Group	Delivery Voltage Level	Line Loss Multiplier
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 shown on pages 6 and 7 of this order.

FPUC: Marianna

Rate Schedule	Multiplier
RS	1.0126
GS	0.9963
GSD	0.9963
GSLD	0.9963
OL, OL-2	1.0126
SL-1, SL-2	0.9881

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:

Group	Multiplier
Group A	1.0064
Group A1	1.0064*
Group B	1.0012
Group C	0.9721

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

We find that the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses are as follows:

FPC: Fuel Cost Factors (cents/kwh)

Group	Delivery Voltage Level	Time Of Use Standard	On-Peak	Off-Peak
	A. Transmission	1.853	2.426	1.544
	B. Distribution Primary	1.872	2.450	1.559
	C. Distribution Secondary	1.891	2.475	1.575
	D. Lighting Service	1.744		

FPL:

GROUP	RATE SCHEDULE	AVERAGE FACTOR	FUEL RECOVERY LOSS MULTIPLIER	FUEL RECOVERY FACTOR
A	RS-1, GS-1, SL-2	2.071	1.00197	2.075
A-1	SL-1, OL-1	2.002	1.00197	2.006
B	GSD-1	2.071	1.00196	2.075
C	GSLD-1 & CS-1	2.071	1.00171	2.074
D	GSLD-2, CS-2, OS-2 & MET	2.071	0.99678	2.064
E	GSLD-3 & CS-3	2.071	0.96190	1.992
A	RST-1, GST-1			
	ON-PEAK	2.322	1.00197	2.327
	OFF-PEAK	1.941	1.00197	1.945
B	GSDT-1 CILC-1(G)			
	ON-PEAK	2.322	1.00196	2.327
	OFF-PEAK	1.941	1.00196	1.945
C	GSLDT-1 & CST-1			
	ON-PEAK	2.322	1.00171	2.326
	OFF-PEAK	1.941	1.00171	1.944

GROUP	RATE SCHEDULE	AVERAGE FACTOR	FUEL RECOVERY LOSS MULTIPLIER	FUEL RECOVERY FACTOR
D	GSLDT-2 & CST-2			
	ON-PEAK	2.322	0.99678	2.315
	OFF-PEAK	1.941	0.99678	1.935
E	GSLDT-3, CST-3 CILC-1(T) & ISST-1(T)			
	ON-PEAK	2.322	0.96190	2.234
	OFF-PEAK	1.941	0.96190	1.867
F	CILC-1(D) & ISST-1(D)			
	ON-PEAK	2.322	0.99827	2.318
	OFF-PEAK	1.941	0.99827	1.938

FPUC: Marianna

RS	5.122¢/kwh
GS	4.774¢/kwh
GSD	4.280¢/kwh
GSLD	4.243¢/kwh
OL, OL-2	3.025¢/kwh
SL-1, SL-2	2.943¢/kwh

Fernandina Beach

Rate Schedule	Adjustment
RS	4.737¢/kwh
GS	4.841¢/kwh
GSD	4.090¢/kwh
OL	3.833¢/kwh
SL, CSL	3.833¢/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	2.193	2.644	1.980
B	LP, LPT, SBS	2.125	2.563	1.919
C	PX, PXT, SBS, RTP	2.084	2.514	1.882
D	OSI, OSII	2.039	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: See Attachment 2, page 2 of 10.

The parties agreed to, and we approve as appropriate the following revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of April, 1996, through September, 1996:

FPC:	1.00083	
FPL:	1.01609	
FPUC:	Marianna:	1.00083
	Fernandina:	1.01609
GULF:	1.01609	
TECO:	1.00083	

The parties agreed to, and we approve as appropriate the deferral of the issue of whether an electric utility should be permitted to include, for retail fuel cost recovery purposes, fuel costs of generation at any of its units which exceed, on a cents-per-kilowatt-hour basis, the average fuel cost of total generation (wholesale plus retail) out of those same units. Deferral of this issue until the August 1996 hearing will allow the parties an opportunity to file testimony regarding this issue.

Company-Specific Fuel Adjustment Issues

Florida Power and Light Company

The parties agreed to, and we approve as appropriate the deferral of the issue of whether FPL should recover replacement energy costs incurred as a result of outages at Plant St. Lucie and Plant Turkey Point during the period September 1994 through September 1995. Deferral of this issue until the August 1996, fuel hearing will allow the parties time for additional discovery. In addition, the parties agree that we shall retain jurisdiction over the approximately $20 million associated with replacement energy costs pending our review of the prudence of these costs.

Florida Power Corporation

The parties agreed to, and we approve as appropriate FPC's request to recover the cost associated with converting its Intercession City combustion turbine units P8 and P10 to burn natural gas. FPC's conversion of units P8 and P10 is estimated to save FPC's ratepayers more than $16 million over the next 5 years at a cost of approximately $2.6 million. Order No. 14546, issued July 8, 1985, allows a utility to recover fossil-fuel related costs that result in fuel savings, even if those costs were not previously addressed in determining base rates. FPC may recover the projected cost of conversion through its fuel clause beginning July 1, 1996. The cost may be depreciated over the next five years using straight line depreciation. Also, FPC may recover a return on average investment of 8.37%, the rate authorized in Docket 910890-EI, as well as applicable taxes. Our staff will audit the 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.

Gulf Power Company

In accordance with the agreement of the parties, we find that Gulf Power Company can recover the costs associated with the partial buyout of its fuel supply contract for deliveries of Venezuelan/Illinois coal with Peabody Coal Company. Gulf Power's buyout of the Peabody Coal contract is expected to save its ratepayers approximately $9 million. Gulf and Peabody Coal Company agreed to suspend shipments of the Venezuelan portion of the current coal contract for two years to allow Gulf to take advantage of current market conditions. The contract coal has to be blended prior to burning and is priced out of line with the current coal market. The avoided blending fee and the reduced spot market fuel cost is expected to result in approximately $31 million of savings. This amount will be offset by the $22 million buyout payment resulting in a net savings to Gulf's ratepayers of approximately $9 million. Therefore, Gulf may recover the buyout cost and finance charges, based on a debt finance rate of 5.21%, through the fuel cost recovery clause over 24 months beginning February 1996. This type of recovery is consistent with the intent of Order No. 14546.

Also, the parties agreed to, and we approve Gulf Power Company's request to recover the cost of payments made to Georgia Power Company (Georgia Power) associated with the Seasonal Powder River Basin Fuel Program at Plant Daniel. As part of a recent fuel cost saving program, Gulf Power Company and Mississippi Power Company (Mississippi) negotiated with Golden Oak Coal Company (Golden Oak) and Cyprus Coal Corporation (Cyprus) to divert shipments of contract coal from Plant Daniel to Georgia Power Company during 1994 and 1995. This arrangement allowed Plant Daniel to burn lower cost Powder River Basin coal during non-peak periods. As part of the two year agreement, Cyprus would purchase Golden Oak's coal and deliver it to Georgia Power. Gulf Power Company and Mississippi would then reimburse Georgia Power for any difference between the cost of foregone spot market purchases and the Plant Daniel coal, based on the weighted average $/mmbtu difference. Georgia Power was reimbursed $94,178 by Gulf Power Company and $94,178 by Mississippi for 1994 deliveries. Gulf Power Company projects that its 1995 reimbursement amount will be $60,000. Upon expiration of the initial two year agreement, Cyprus has agreed to continue purchasing Golden Oak's coal for resale to allow Plant Daniel to continue its seasonal Powder River Basin coal program. Cyprus will be reimbursed for the price difference between the agreed upon price of $23.50 per ton and the Golden Oak contract price of $27.40 per ton during the first nine months of 1996 until the price reopener in October 1996. Gulf's share of this reimbursement amount is projected to be $552,800.

The Seasonal Powder River Basin Fuel Program at Plant Daniel is expected to result in approximately $30 million in savings at a cost of approximately $700,000. Because of these substantial savings, we find that Gulf Power Company may recover the reimbursement amounts through the fuel cost recovery clause. This type of recovery is consistent with the intent of Order No. 14546.

Generic Generating Performance Incentive Factor Issues

There was no controversy among the parties as to the appropriate GPIF reward or penalty for past performance. The parties agreed to, and we approve, the GPIf rewards or penalties for the period April, 1995 through March, 1995 as shown on Attachment 1, page 1 of 2.

The parties also agreed to targets and ranges for the period April, 1996 through September 1996. We approve those targets and ranges as shown on Attachment 1, page 2 of 2.

Company-Specific GPIF Issues

Tampa Electric Company

We approve the parties' stipulation that Tampa Electric Company's GPIF amount will be adjusted to include the heat rate results for Big Bend Unit #3. Also, we approve Tampa Electric Company's stipulation that the Big Bend Unit #3 heat rates be allowed in the heat rate target.

Florida Power & Light Company

The parties agreed to, and we approve, Florida Power and Light Company's request to include in the GPIF reward calculation adjustments to the equivalent availability factors for St. Lucie Units #1 and #2, for externally caused events occurring at those units.

Generic Oil Backout Issues

We find that the final oil backout true-up amount for the period April, 1995 through September, 1995, is as follows:

FPL: $33,729 overrecovery.

TECO: $161,612 underrecovery.

We find that TECO's estimated oil backout true-up amount for the period October, 1995 through December, 1995, amounts to an underrecovery of $23,001. TECO will include $184,613 underrecovery, which reflects the $23,001 underrecovery and the $161,612 underrecovery for April, 1995 through September, 1995, when determining the April, 1996 through September, 1996, fuel factor, pursuant to Order PSC-95-0580-FOF-EI.

Company-Specific Oil Backout Issues

Tampa Electric Company

Staff raised the issue of requiring TECO to refund non-jurisdictional revenues recovered from retail ratepayers through the oil backout cost recovery clause. Staff contended that at the time the Commission required TECO to begin jurisdictionalizing coal contract buy-out costs by Order No. 25148, issued October 1, 1991, the company was given adequate notice that all fuel related costs should be recovered over total kilowatt hour sales. Additionally, staff argued that costs should be recovered from all ratepayers receiving the benefits.

We have authority to make retroactive adjustments and can require TECO to refund the nonjurisdictional portion of its Oil backout cost recovery clause. We believe that both retail and wholesale customers benefited from the Plant Gannon conversion. Order No. 25148, however, did not give TECO sufficient notice that oil backout costs should be treated in the same manner as the coal contract buyout costs. We believe that it would be inappropriate to require TECO to separate oil backout Cost Recovery costs by wholesale and retail jurisdiction prior to calculating current and previous true-up amounts. Therefore, we do not require TECO to make a retroactive adjustment of its oil backout revenues.

Generic Capacity Cost Recovery Issues

The parties agreed that the following final capacity cost recovery true-up amounts are appropriate for the period April, 1995 through September, 1995, which we approve:

FPC:	$4,239,557 overrecovery.
FPL:	$23,587,130 overrecovery.
TECO:	$17,956 underrecovery.

We approve the following estimated capacity cost recovery true-up amount for the period October, 1995 through March, 1996:

FPC:	$120,500 underrecovery.
FPL:	$38,959,291 overrecovery.
TECO:	$179,568 overrecovery.

We also approve the following total capacity cost recovery true-up amount to be collected during the period April, 1996 through September, 1996:

FPC:	$ 4,119,057 overrecovery.
FPL:	$62,546,424 overrecovery.
TECO:	$ 161,612 overrecovery.

We approve the following projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period April, 1996 through September, 1996:

FPC:	$123,768,370
FPL:	$160,561,638
TECO:	$ 11,584,505

Finally, we approve the projected capacity cost recovery factors for the period April, 1996 through September, 1996:

FPC:

Rate Class	Cents/KwH
RS	.936
GS-Trans.	.728
GS-Pri.	.735
GS-Sec.	.743
GS-100% L.F.	.512
GSD-Trans.	.609
GSD-Pri.	.616
GSD-Sec.	.622
CS-Trans.	.512
CS-Pri.	.517

FPC continued:

Rate Class	Cents/KwH
CS-Sec.	.522
IS-Trans.	.512
IS-Pri.	.517
IS-Sec.	.522
Lighting	.187

FPL:

Rate Class	Capacity Recovery Factor ($/KW)	Capacity Recovery Factor ($/KWH)
RS1	--	.00442
GS1	--	.00434
GSD1	1.62	--
OS2	--	.00302
GSLD1/CS1	1.65	--
GSLD2/CS2	1.65	--
GSLD3/CS3	1.58	--
CILCD/CILCG	1.64	--
CILCT	1.58	--
MET	1.71	--
OL1/SL1	--	.00123
SL2	--	.00292

Rate Class	Capacity Recovery Factor (Reservation Demand Charge) ($/KW)	Capacity Recovery Factor (Sum of Daily Demand Charge) ($/KW)
ISST1D	.21	.10
SST1T	.20	.09
SST1D	.21	.10

TECO:

Rate Schedules	Factor
RS	.193 cents per KWH
GS, TS	.179 cents per KWH
GSD	.135 cents per KWH
GSLD/SBF	.123 cents per KWH
IS-1 & 3, SBI-1 & 3	.011 cents per KWH
SL, OL	.029 cents per KWH

In consideration of the above, it is,

ORDERED by the Florida Public Service Commission that the findings and stipulations set forth in the body of this Order are hereby approved. It is further

ORDERED that investor-owned electric utilities subject to our jurisdiction are hereby authorized to apply the fuel cost recovery factors set forth herein during the period of April, 1996 through September, 1996. It is further

ORDERED that the estimated true-up amounts contained in the above fuel cost recovery factors 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 the Generating Performance Incentive Factor rewards and penalty stated in the body of this Order shall be applied to the projected levelized fuel adjustment factors for the period of April, 1996 through September, 1996. It is further

ORDERED that the targets and ranges for the Generating Performance Incentive Factors set forth herein are hereby adopted for the period of April, 1996 through September, 1996. It is further

ORDERED that the investor-owned electric utilities, are hereby authorized to apply the capacity cost recovery factors set forth herein during the period of April, 1996 through September, 1996, and until such factors are modified by subsequent Order. It is further

ORDERED that the estimated true-up amounts contained in the above capacity cost recovery factors 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 13th day of March, 1996.

Blanca S. Bayó

BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

VDJ/LW

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

Staff Attachment 1
Page 1 of 2

GPIF REWARDS/PENALTIES
April 1995 to September 1995

Florida Power Corporation	$1,456,161	Reward
Florida Power and Light Company	$2,159,086	Reward
Gulf Power Company	($483,077)	Penalty
Tampa Electric Company	$376,230	Reward

Utility/ Plant/Unit	EAF		Heat Rate	
FPC	Target	Adj. Actual	Target	Adj. Actual
Anclote 1	97.1	92.6	9,268	9,154
Anclote 2	97.2	89.1	9,565	9,620
Crystal River 1	60.2	61.3	10,130	9,968
Crystal River 2	83.6	92.0	10,053	9,824
Crystal River 3	94.0	99.0	10,532	10,461
Crystal River 4	92.9	95.9	9,377	9,406
Crystal River 5	90.6	90.9	9,274	9,292
FPL	Target	Adj. Actual	Target	Adj. Actual
Cape Canaveral 1	91.2	95.9	9,230	8,952
Cape Canaveral 2	89.8	95.4	9,252	8,955
Fort Lauderdale 4	89.5	89.8	7,335	7,176
Fort Lauderdale 5	95.7	98.0	7,362	7,272
Fort Myers 2	91.7	93.5	9,337	9,659
Manatee 2	96.0	92.0	9,600	9,808
Port Everglades 3	85.6	87.7	9,209	9,097
Port Everglades 4	96.0	88.4	9,313	9,119
Putnam 1	96.0	95.6	8,540	8,696
Putnam 2	84.2	86.5	8,519	8,508
Riviera 3	93.6	95.5	9,610	9,457
Riviera 4	90.9	96.8	9,805	9,808
Sanford 5	96.0	97.1	9,694	9,403
Scherer 4	96.0	91.6	9,956	9,980
St. Lucie 1	93.6	65.9	10,882	10,945
St. Lucie 2	83.3	96.3	10,877	11,063
Turkey Point 1	82.7	84.8	9,309	9,098
Turkey Point 2	95.6	94.9	9,262	8,779
Turkey Point 3	85.1	89.7	11,133	11,190
Turkey Point 4	93.1	99.2	11,218	11,149
Gulf	Target	Adj. Actual	Target	Adj. Actual
Crist 6	76.6	84.2	10,804	11,052
Crist 7	76.4	83.7	10,675	10,899
Smith 1	81.4	85.5	10,147	10,226
Smith 2	87.7	90.6	10,270	10,387
Daniel 1	90.5	85.4	10,291	10,618
Daniel 2	97.5	95.7	10,107	10,339
TECO	Target	Adj. Actual	Target	Adj. Actual
Big Bend 1	83.4	87.9	10,137	10,109
Big Bend 2	88.1	88.5	10,055	10,032
Big Bend 3	67.1	62.0	9,607	9,692
Big Bend 4	90.6	92.4	10,036	9,975
Gannon 5	88.7	91.5	10,052	10,014
Gannon 6	80.4	87.4	10,335	10,372

GPIF TARGETS
April 1996 to September 1996

Utility/ Plant/Unit	Equivalent Availability				Heat Rate	
	Company			Staff	Company	Staff
FPC	EAF	POF	EUOF			
Anclote 1	96.1	0.0	4.0	Agree	9.665	Agree
Anclote 2	97.1	0.0	2.9	Agree	9.784	Agree
Crystal River 1	86.9	3.8	9.3	Agree	10.046	Agree
Crystal River 2	80.5	0.0	19.6	Agree	9.940	Agree
Crystal River 3	90.0	8.2	1.8	Agree	10.492	Agree
Crystal River 4	70.4	26.2	3.4	Agree	9.368	Agree
Crystal River 5	94.9	0.0	5.1	Agree	9.279	Agree
FPL	EAF	POF	EUOF			
Cape Canaveral 1	84.6	8.2	7.2	Agree	9.342	Agree
Cape Canaveral 2	92.2	0.0	7.8	Agree	9.331	Agree
Fort Lauderdale 4	96.0	0.0	4.0	Agree	7.308	Agree
Fort Lauderdale 5	96.0	0.0	4.0	Agree	7.375	Agree
Fort Myers 2	94.5	0.0	5.5	Agree	9.330	Agree
Manatee 2	90.8	3.8	5.4	Agree	9.459	Agree
Martin 3	93.5	2.7	3.8	Agree	6.946	Agree
Martin 4	74.6	2.2	23.2	Agree	6.942	Agree
Port Everglades 3	70.1	24.6	5.3	Agree	9.465	Agree
Port Everglades 4	92.3	0.0	7.7	Agree	9.449	Agree
Putnam 1	95.5	0.0	4.5	Agree	8.658	Agree
Putnam 2	96.0	0.0	4.0	Agree	8.379	Agree
Scherer 4	84.1	8.7	7.2	Agree	9.988	Agree
St. Lucie 1	53.1	31.7	15.2	Agree	10.937	Agree
St. Lucie 2	84.2	0.0	15.8	Agree	10.996	Agree
Turkey Point 1	95.8	0.0	4.2	Agree	9.088	Agree
Turkey Point 2	94.3	0.0	5.7	Agree	9.107	Agree
Turkey Point 3	93.6	0.0	6.4	Agree	11.140	Agree
Turkey Point 4	82.4	12.0	5.6	Agree	11.196	Agree
Gulf	EAF	POF	EUOF			
Crist 6	82.2	8.7	9.1	Agree	10.597	Agree
Crist 7	71.6	15.3	13.1	Agree	10.500	Agree
Smith 1	87.3	8.7	4.0	Agree	10.219	Agree
Smith 2	91.7	0.0	8.3	Agree	10.422	Agree
Daniel 1	92.8	0.0	7.2	Agree	10.493	Agree
Daniel 2	96.7	0.0	3.3	Agree	10.280	Agree
TECO	EAF	POF	EUOF			
Big Bend 1	86.7	0.0	13.3	Agree	10.077	Agree
Big Bend 2	85.9	0.0	14.1	Agree	10.020	Agree
Big Bend 3	87.1	0.0	12.9	Agree	9.746	Agree
Big Bend 4	89.7	0.0	10.3	Agree	10.149	Agree
Gannon 5	90.4	0.0	9.6	Agree	10.343	Agree
Gannon 6	64.8	27.3	7.9	Agree	10.[illegible]43	Agree

RESIDENTIAL FUEL FACTORS FOR THE PERIOD: April – September 1996

	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power	Florida Public Utilities (2) Marianna	Florida Public Utilities (2) Fernandina
Present (cents per kwh): October 1995 – March 1996	1.773	1.786	2.380	2.237	4.875	5.228
Approved (cents per kwh) April – September 1996	**2.075**	**1.891**	**2.407**	**2.193**	**5.122**	**4.737**
Increase/Decrease:	0.302	0.105	0.027	−0.044	0.247	−0.491

TOTAL COST FOR 1,000 KILOWATT HOURS – RESIDENTIAL SERVICE

PRESENT: October 1995 – March 1996	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power	Florida Public Utilities (2) Marianna	Florida Public Utilities (2) Fernandina
Base Rate	47.46	49.05	51.92	43.25	20.43	19.20
Fuel	17.73	17.86	23.80	22.37	48.75	52.28
Energy Conservation	2.51	3.35	1.53	0.26	0.18	0.12
Environmental Cost Recovery	0.23	N/A	N/A	1.53	N/A	N/A
Capacity Recovery	6.94	10.73	2.29	1.68	NA	NA
Gross Receipts Tax (1)	0.77	2.08	2.04	0.71	1.78	0.73
Total	$75.64	$83.07	$81.58	$69.80	$71.14	$72.33

APPROVED: April – September 1996	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power	Florida Public Utilities (2) Marianna	Florida Public Utilities (2) Fernandina
Base Rate	47.46	49.05	51.92	43.25	20.43	19.20
Fuel	20.75	18.91	24.07	21.93	51.22	47.37
Energy Conservation	2.09	2.95	1.62	0.41	0.19	0.09
Environmental Cost Recovery	0.15	N/A	N/A	1.36	N/A	N/A
Capacity Recovery	4.42	9.36	1.93	1.68	N/A	N/A
Gross Receipts Tax (1)	0.77	2.06	2.04	0.70	1.84	0.68
Total	**$75.64**	**$82.33**	**$81.58**	**$69.33**	**$73.68**	**$67.34**

APPROVED INCREASE / (DECREASE)	Fla. Power & Light	Fla. Power Corp.	Tampa Electric	Gulf Power	Florida Public Utilities (2) Marianna	Florida Public Utilities (2) Fernandina
Base Rate	0.00	0.00	0.00	0.00	0.00	0.00
Fuel	3.02	1.05	0.27	−0.44	2.47	−4.91
Energy Conservation	−0.42	−0.40	0.09	0.15	0.01	−0.03
Environmental Cost Recovery	−0.08	N/A	N/A	−0.17	N/A	N/A
Capacity Recovery	−2.52	−1.37	−0.36	0.00	N/A	N/A
Gross Receipts Tax (1)	0.00	−0.02	0.00	−0.01	0.06	−0.05
Total	$0.00	($0.74)	$0.00	($0.47)	$2.54	($4.99)

(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 2.187 for Marianna and 1.442 cents/KWH for Fernandina allocated to the residential class.

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

2/12/96

FOR THE PERIOD: April – September 1996

COMPANY	GROUP	RATE SCHEDULES	BEFORE LINE LOSSES Standard	BEFORE LINE LOSSES TOU On/Peak	BEFORE LINE LOSSES TOU Off/Peak	LINE LOSS MULT.	FINAL FACTORS ADJUSTED FOR LINE LOSSES Standard	FINAL FACTORS ADJUSTED FOR LINE LOSSES TOU On/Peak	FINAL FACTORS ADJUSTED FOR LINE LOSSES TOU Off/Peak
FP&L	A	RS–1,RST–1,GST–1,GS–1,SL–2	2.071	2.322	1.941	1.00197	**2.075**	**2.327**	**1.945**
	A–1	SL–1,OL–1	2.002	NA	NA	1.00197	**2.006**	**NA**	**NA**
	B	GSD–1,GSDT–1, CILC–1(G)	2.071	2.322	1.941	1.00196	**2.075**	**2.327**	**1.945**
	C	GSLD–1,GSLDT–1, CS–1, CST–1	2.071	2.322	1.941	1.00171	**2.074**	**2.326**	**1.944**
	D	GSLD–2,GSLDT–2, CS–2, CST–2, OS–2, MET	2.071	2.322	1.941	0.99678	**2.064**	**2.315**	**1.935**
	E	GSLD–3,GSLDT–3,CS–3,CST–3,CILC–1(T),ISST–1(T)	2.071	2.322	1.941	0.96190	**1.992**	**2.234**	**1.867**
	F	CILC–1(D),ISST–1(D)	NA	2.322	1.941	0.99827	**NA**	**2.318**	**1.938**
FPC	A	Transmission Delivery	1.891	2.475	1.575	0.98000	**1.853**	**2.426**	**1.544**
	B	Distribution Primary Delivery	1.891	2.475	1.575	0.99000	**1.872**	**2.450**	**1.559**
	C	Distribution Secondary Delivery	1.891	2.475	1.575	1.00000	**1.891**	**2.475**	**1.575**
	D	OL–1,SL–1	1.744	NA	NA	1.00000	**1.744**	**NA**	**NA**
TECO	A	RS,GS,TS	2.392	2.893	2.154	1.00640	**2.407**	**2.912**	**2.168**
	A–1	SL–2,OL–1,3	2.392	NA	NA	N/A	**2.280**	**NA**	**NA**
	B	GSD,GSLD,SBF	2.392	2.893	2.154	1.00120	**2.395**	**2.896**	**2.157**
	C	IS–1,IS–3, SBI–1 & 3	2.392	2.893	2.154	0.97210	**2.325**	**2.812**	**2.094**
GULF	A	RS,GS,GSD,OS–III,OS–IV, SBS(100 to 500 kW)	2.166	2.612	1.956	1.01228	**2.193**	**2.644**	**1.980**
	B	LP, SBS(Contract Demand of 500 to 7499 kW)	2.166	2.612	1.956	0.98106	**2.125**	**2.563**	**1.919**
	C	PX, SBS(Contract Demand above 7499 kW)	2.166	2.612	1.956	0.96230	**2.084**	**2.514**	**1.882**
	D	OS–1,OS–2	2.014	NA	NA	1.01228	**2.039**	**NA**	**NA**
FPUC									
Fernandina	A	RS	4.737	NA	NA	1.00000	**4.737**	**NA**	**NA**
	B	GS	4.841	NA	NA	1.00000	**4.841**	**NA**	**NA**
	C	GSD	4.090	NA	NA	1.00000	**4.090**	**NA**	**NA**
	D	OL, OL–2, SL–2, SL–3, CSL	3.833	NA	NA	1.00000	**3.833**	**NA**	**NA**
	E	GSLD	NA						
							$6.28/CP KW		
Marianna	A	RS	5.058	NA	NA	1.01260	**5.122**	**NA**	**NA**
	B	GS	4.792	NA	NA	0.99630	**4.774**	**NA**	**NA**
	C	GSD	4.296	NA	NA	0.99630	**4.280**	**NA**	**NA**
	D	GLSD	4.259	NA	NA	0.99630	**4.243**	**NA**	**NA**
	E	OL, OL–2	2.987	NA	NA	1.01260	**3.025**	**NA**	**NA**
C:\123\FUEL\AS96.WK3	F	SL–1, SL–2	2.978	NA	NA	0.98810	**2.943**	**NA**	**NA**

ATTACHMENT 2

APPROVED CAPACITY COST RECOVERY FACTORS

PAGE 3 OF 10
2/12/96
C:\123\FUEL\AS96.WK3

For the Period: April – September 1996

COMPANY	RATE SCHEDULE	RECOVERY FACTOR (CENTS PER KWH)	
FPL	RS1	0.442	
	GS1	0.434	
	OL1/SL1	0.123	
	SL2	0.292	
	OS2	0.302	
		RECOVERY FACTOR (DOLLARS PER KW)	
	GSD1	$1.62	
	GSLD1/CS1	$1.65	
	GSLD2/CS2	$1.65	
	GSLD3/CS3	$1.58	SDD
	ISST1D = RDC/SDD	$0.21	$0.10
	SST1T = RDC/SDD	$0.20	$0.09
	SST1D = RDC/SDD	$0.21	$0.10
	CILCD,CILCG	$1.64	
	CILCT	$1.58	
	MET	$1.71	
		RECOVERY FACTOR (CENTS PER KWH)	
FPC	RS	0.936	
	GS–Transmission	0.728	
	GS–Primary	0.735	
	GS–Secondary	0.743	
	GS – 100% Load Factor	0.512	
	GSD–Transmission	0.609	
	GSD–Primary	0.616	
	GSD–Secondary	0.622	
	CS – Transmission	0.512	
	CS – Primary	0.517	
	CS – Secondary	0.522	
	IS–Transmission	0.512	
	IS–Primary	0.517	
	IS–Secondary	0.522	
	LS – Lighting Service	0.187	
TECO	RS	0.193	
	GS,TS	0.179	
	GSD	0.135	
	GSLD,SBF	0.123	
	IS–1 & 3,SBI–1 & 3	0.011	
	SL/OL	0.029	

FUEL & PURCHASED POWER COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: April – September 1996

FLORIDA POWER & LIGHT COMPANY

CLASSIFICATION	Classification Associated $	Classification Associated KWH	Classification Associated Cents/KWH
1.Fuel Cost of System Net Generation (E3)	564,837,790	36,265,572,000	1.55750
2.Spent NUC Fuel Disposal Cost (E2)	9,868,296	10,596,260,000 (a)	0.09313
3.Fuel Related Transactions	4,424,433	0	0.00000
4. Natural Gas Pipeline Enhancements	0	0	0.00000
4a. Fuel Cost of Sales to FKEC	(10,059,440)	(508,676,000)	1.97757
5.TOTAL COST OF GENERATED POWER	569,071,079	35,756,896,000	1.59150
6.Fuel Cost of Purchased Power – Firm (E7)	92,551,680	5,514,449,000	1.67835
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	24,170,450	1,339,826,000	1.80400
8.Energy Cost of Economy Purchases (Non–Broker) (E9)	13,709,820	645,739,000	2.12312
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Capacity Cost of Sch.E Economy Purchases (E2)	0	0	0.00000
11.Payments to Qualifying Facilities (E8)	56,153,965	2,920,077,000	1.92303
12.TOTAL COST OF PURCHASED POWER	186,585,915	10,420,091,000	1.79064
13.TOTAL AVAILABLE KWH		46,176,987,000	
14.Fuel Cost of Economy Sales (E6)	(14,803,910)	(564,045,000)	2.62460
15.Gain on Economy Sales – 80% (E6A)	(3,321,326)	(564,045,000)(a)	0.58884
16.Fuel Cost of Unit Power Sales (SL2 Partpts) (E6)	(724,197)	(176,304,000)	0.41077
17.Fuel Cost of Other Power Sales (E6)	0	0	0.00000
18.TOTAL FUEL COST & GAINS OF POWER SALES	(18,849,433)	(740,349,000)	2.54602
19.Net Inadvertant Interchange (E4)	0	0	0.00000
20.TOTAL FUEL AND NET POWER TRANSACTIONS	736,807,561	45,436,638,000	1.62162
21.Net Unbilled Sales	(20,233,237)(a)	(1,247,721,000)	−0.04923
22.Company Use	2,210,423 (a)	136,310,000	0.00538
23.T & D Losses	47,892,491 (a)	2,953,381,000	0.11653
24.Adjusted System KWH Sales	736,807,561	41,099,226,000	1.79275
25.Wholesale KWH Sales	2,392,361	147,382,000	1.62324
26.JURISDICTIONAL KWH SALES	734,415,200	40,951,844,000	1.79336
27.Jurisdictional KWH Sales Adjusted for Line Loss – 1.0007	734,929,291	40,951,844,000	1.79462
28.True–up * (derived in Attachment C)	97,684,026	40,951,844,000	0.23853
29.TOTAL JURISDICTIONAL FUEL COST	832,613,317	40,951,844,000	2.03320
30.Revenue Tax Factor			1.01609
31.Fuel Cost Adjusted for Taxes			2.06591
32.GPIF*	2,159,086	40,951,844,000	0.00527
33.Total fuel cost including GPIF	834,772,403	40,951,844,000	2.07119

34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH: **2.071**

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

C:\123\FUEL\AS96.WK3

FUEL & PURCHASED POWER COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: April – September 1996

FLORIDA POWER CORPORATION

CLASSIFICATION	Classification Associated $	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	222,523,546	13,901,829,000	1.60068
2.Spent NUC Fuel Disposal Cost	2,809,162	3,004,452,000 (a)	0.09350
3.Coal Car Investment	0	0	0.00000
4.Adjustments to Fuel Cost	487,259	0	0.00000
5.TOTAL COST OF GENERATED POWER	225,819,967	13,901,829,000	1.62439
6.Energy Cost of Purchased Power – Firm (E7)	19,833,930	1,072,216,000	1.84981
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	9,781,900	415,000,000	2.35708
8.Energy Cost of Economy Purchases (Non–Broker) (E9)	1,141,301	56,405,000	2.02340
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Capacity Cost of Economy Purchases (E9)	340,800	0 (a)	0.00000
11.Payments to Qualifying Facilities (E8)	71,340,740	3,632,551,000	1.96393
12.TOTAL COST OF PURCHASED POWER	102,438,671	5,176,172,000	1.97904
13.TOTAL AVAILABLE KWH		19,078,001,000	
14.Fuel Cost of Economy Sales (E6)	(7,058,200)	(390,000,000)	1.80979
14a.Gain on Economy Sales –80% (E6)	(1,248,000)	(390,000,000)(a)	0.32000
15.Fuel Cost of Other Power Sales (E6)	0	0	0.00000
15a.Gain on Other Power Sales (E6)	0	0 (a)	0.00000
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)	(15,721,770)	(368,944,000)	4.26129
18.TOTAL FUEL COST AND GAINS OF POWER SALES	(24,027,970)	(758,944,000)	3.16597
19.Net Inadvertant Interchange	0	0	
20.TOTAL FUEL AND NET POWER TRANSACTIONS	304,230,668	18,319,057,000	1.66073
21.Net Unbilled	10,684,064 (a)	(643,347,000)	0.06453
22.Company Use	1,569,362 (a)	(94,500,000)	0.00948
23.T & D Losses	17,010,683 (a)	(1,024,308,000)	0.10274
24.Adjusted System KWH Sales	304,230,668	16,556,902,000	1.83749
25.Wholesale KWH Sales (Excluding Supplemental sales)	(9,692,677)	(528,012,000)	1.83569
26.JURISDICTIONAL KWH SALES	294,537,991	16,028,890,000	1.83754
27.Jurisdictional KWH Sales Adjusted for Line Losses – 1.0014	294,950,344	16,028,890,000	1.84012
28.Prior Period True–Up * (E1–B, sheet 1)	5,915,935	16,028,890,000	0.03691
29.TOTAL JURISDICTIONAL FUEL COST	300,866,279	16,028,890,000	1.87703
30.Revenue Tax Factor			1.00083
31.Fuel Cost Adjusted for Taxes	301,115,998		1.87860
32.GPIF*	1,381,926	16,028,890,000	0.00860
33.Total fuel cost including GPIF	302,497,924	16,028,890,000	1.88720
34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			**1.887**

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

C:\123\FUEL\AS96.WK3

FUEL & PURCHASED POWER COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: April – September 1996

TAMPA ELECTRIC COMPANY

CLASSIFICATION	Classification Associated $	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	195,500,535	9,271,691,000	2.10857
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)	(18,000)	9,271,691,000	−0.00019
4a .Adjustments to Fuel Cost (Allowances)	519,013	9,271,691,000 (a)	0.00560
5.TOTAL COST OF GENERATED POWER	196,001,548	9,271,691,000	2.11398
6.Fuel Cost of Purchased Power – Firm (E7)	7,218,500	276,786,000	2.60797
7.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	754,800	23,605,000	3.19763
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)	4,312,000	241,693,000	1.78408
12.TOTAL COST OF PURCHASED POWER	12,285,300	542,084,000	2.26631
13.TOTAL AVAILABLE KWH		9,813,775,000	
14.Fuel Cost of Economy Sales (E6)	13,920,200	934,138,000	1.49017
15.Gain on Economy Sales – 80% (E6)	2,836,080	934,138,000 (a)	0.30360
16.Fuel Cost of Scedule D Sales (Jurisdictional)(E6)	608,000	41,101,000	1.47928
16a.Fuel Cost of Schedule D Sales – Separated (E6)	3,128,500	237,736,000	1.31596
16b Fuel Cost Schedule D HPP Sales – Contract (E6)	1,379,900	62,903,000	2.19370
16c. Fuel Cost Schedule J Sales Juris. (E6)	151,000	9,481,000	1.59266
17. Fuel Cost of Other Power Sales	92,600	2,010,000	
18.TOTAL FUEL COST AND GAINS OF POWER SALES	22,116,280	1,287,369,000	1.71794
19.Net Inadvertant Interchange	0	0	
19b.Interchange and Wheeling Losses	0	21,400,000	
20.TOTAL FUEL AND NET POWER TRANSACTIONS	186,170,568	8,505,006,000	2.18895
21.Net Unbilled	3,436,958 (a)	157,014,000	0.04344
22.Company Use	413,712 (a)	18,900,000	0.00523
23.T & D Losses	9,143,003 (a)	417,689,000	0.11557
24.Adjusted System KWH Sales	186,170,568	7,911,403,000	2.35319
25.Wholesale KWH Sales	(1,858,624)	(78,546,000)	2.36629
26.JURISDICTIONAL KWH SALES	184,311,944	7,832,857,000	2.35306
27.Jurisdictional KWH Sales Adjusted for Line Loss – 1.00005	184,404,100	7,832,857,000	2.35424
28.True–up *	(599,902)	7,832,857,000	−0.00766
29.Peabody Coal Contract Buyout Amort.	2,873,357	7,832,857,000	0.03668
29a Oct–Dec '96 OBO true–up	184,613	7,832,857,000	0.00236
30.TOTAL JURISDICTIONAL FUEL COST	186,677,555	7,832,857,000	2.38562
31.Revenue Tax Factor			1.00083
32.Fuel Cost Adjusted for Taxes	186,832,497		2.38760
33.GPIF * (Already adjusted for taxes)	376,230	7,832,857,000	0.00480
34.Total Fuel Cost including GPIF	187,208,727	7,832,857,000	2.39240
35.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			**2.392**

ATTACHMENT 2

FUEL & PURCHASED POWER COST RECOVERY
CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: April – September 1996

GULF POWER COMPANY

2/12/96

CLASSIFICATION	Classification Associated $	Classification Associated KWH	Classification Associated cents/KWH
1.Fuel Cost of System Net Generation (E3)	114,725,542	5,622,394,000	2.0405
2.Net Cost of Emission Allowances	0	0	0.0000
3.Adjustments to Fuel Cost	0	0	0.0000
4.TOTAL COST OF GENERATED POWER	114,725,542	5,622,394,000	2.0405
5.Fuel Cost of Purchased Power – Firm (E7)	0	0	0.0000
6.Energy Cost of Sch.C,X Economy Purchases (Broker) (E9)	11,176,000	629,550,000	1.7752
7.Energy Cost of Economy Purchases (Non–Broker) (E9)	0	0	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)	62,118	2,380,000	0.0000
11.TOTAL COST OF PURCHASED POWER	11,238,118	631,930,000	1.7784
12.TOTAL AVAILABLE KWH (line 4 + line 11)		6,254,324,000	
13.Fuel Cost of Economy Sales (E6)	(644,000)	(22,040,000)	2.9220
14.Gain on Economy Sales – 80% (E6)	(52,800)	0 (a)	0.0000
15.Fuel Cost of Unit Power Sales (E6)	(9,407,000)	(505,550,000)	1.8607
16.Fuel Cost of Other Power Sales	(9,078,000)	(409,880,000)	2.2148
17.TOTAL FUEL COST AND GAINS OF POWER SALES	(19,181,800)	(937,470,000)	2.0461
18.Net Inadvertant Interchange	0		
19.TOTAL FUEL AND NET POWER TRANSACTIONS	106,781,860	5,316,854,000	2.0084
20.Net Unbilled	0	0	0.0000
21.Company Use	206,092 (a)	10,262,000	2.0083
22.T & D Losses	7,368,392 (a)	366,897,000	2.0083
23.Adjusted System KWH Sales	106,781,860	4,939,695,000	2.1617
24.Wholesale KWH Sales	3,791,406	175,390,000	2.1617
25.JURISDICTIONAL KWH SALES	102,990,454	4,764,305,000	2.1617
26.Jurisdictional KWH Sales Adjusted for Line Loss – 1.00140	103,134,641	4,764,305,000	2.1647
27.True–up *	(1,264,660)	4,764,305,000	–0.0265
28.Total Jurisdictional Fuel Cost	101,869,981	4,764,305,000	2.1382
29.Revenue Tax Factor			1.01609
30.Fuel Cost Adjusted for Taxes			2.1726
31.Special Contract Recovery Cost	175,431	4,764,305,000	0.0037
32.GPIF *	(483,077)	4,764,305,000	–0.0101
33.Total Fuel Cost including GPIF	101,386,904	4,764,305,000	2.1662
34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			**2.166**

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

C:\123\FUEL\AS96.WK3

FUEL & PURCHASED POWER COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: April – September 1996

FLORIDA PUBLIC UTILITIES–MARIANNA

2/12/96

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)	3,023,961	146,766,000	2.06040
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)	3,366,975	146,766,000 (a)	2.29411
10a.Demand Costs of Purchased Power	2,352,456 (a)		
10b.Non–Fuel Energy & Customer Costs of Purchased Power	1,014,519 (a)		
11.Energy Payments to Qualifying Facilities (E8A)	0	0	0.00000
12.TOTAL COST OF PURCHASED POWER	6,390,936	146,766,000	4.35451
13.TOTAL AVAILABLE KWH	6,390,936	146,766,000	4.35451
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	0	0	0.00000
19.Net Inadvertant Interchange	0	0	
20.TOTAL FUEL AND NET POWER TRANSACTIONS	6,390,936	146,766,000	4.35451
21.Net Unbilled	254,303 (a)	5,840,000	0.18845
22.Company Use	4,877 (a)	112,000	0.00361
23.T & D Losses	255,653 (a)	5,871,000	0.18945
24.ADJUSTED SYSTEM KWH SALES	6,390,936	134,943,000	4.73603
25.Less Total Demand Cost Recovery	2,352,456		
26.JURISDICTIONAL KWH SALES	4,038,480	134,943,000	2.99273
27.Jurisdictional KWH Sales Adjusted for Line Loss – 1.00	4,038,480	134,943,000	2.99273
28.True–up *	(131,476)	134,943,000	–0.09743
29.TOTAL JURISDICTIONAL FUEL COST	3,907,004	134,943,000	2.89530
30.Revenue Tax Factor			1.00083
31.Fuel Cost Adjusted for Taxes	3,499,562	0	2.89770
32.GPIF *	0	134,943,000	0.00000
33.Total Fuel Cost including GPIF	3,907,004	134,943,000	2.89770
34.TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS PER KWH:			2.898

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

C:\123\FUEL\AS96.WK3

FUEL & PURCHASED POWER COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: April – September 1996

FLORIDA PUBLIC UTILITIES–FERNANDINA BEACH

2/12/96

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)	3,189,790	172,888,000	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		
9.Energy Cost of Sch.E Purchases (E9)	0	0	0.00000
10.Demand & Non Fuel Cost of Purchased Power (E2)	4,621,456	172,888,000	2.67309
10a.Demand Costs of Purchased Power	2,536,800 (a)		
10b.Non Fuel Energy and Customer Costs of Purchased Power (E2)	2,084,656 (a)		
11.Energy Payments to Qualifying Facilities (E8A)	44,880	2,400,000	1.87000
12.TOTAL COST OF PURCHASED POWER	7,856,126	175,288,000	4.48184
13.TOTAL AVAILABLE KWH	7,856,126	175,288,000	4.48184
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	7,856,126	175,288,000	4.48184
21.Net Unbilled	38,947 (a)	869,000	0.02379
22.Company Use	9,188 (a)	205,000	0.00561
23.T & D Losses	471,355 (a)	10,517,000	0.28794
24.Adjusted System KWH Sales	7,856,126	163,697,000	4.79919
25.Wholesale KWH Sales	0	0	0.00000
26.JURISDICTIONAL KWH SALES	7,856,126	163,697,000	4.79919
27.Jurisdictional KWH Sales Adjusted for Line Loss – 1.00	7,856,126	163,697,000	4.79919
27a.GSLD KWH Sales		36,000,000	
27b.Other Classes KWH Sales		127,697,000	
27c.GSLD CP KW		162,000 (a)	
28. GPIF			
29.True–up *	(52,680)	163,697,000	–0.03218
30.TOTAL JURISDICTIONAL FUEL COST	7,803,446	163,697,000	4.76701

C:\123\FUEL\AS96.WK3

FUEL & PURCHASED POWER COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: April – September 1996

FLORIDA PUBLIC UTILITIES–FERNANDINA BEACH

2/12/96

CLASSIFICATION	Classification Associated $	Classification Associated KWH	Classification Associated cents/KWH
30a.Demand Purchased Power Costs (line 10a)	2,536,800 (a)		
30b.Non–Demand Purchased Power Costs (lines 6+10b+11)	5,319,326 (a)		
30c.True–up Over/Under Recovery (line 29)	(52,680)(a)		
APPORTIONMENT OF DEMAND COSTS			
31.Total Demand Costs	2,536,800		
32.GSLD Portion of Demand Costs Including line losses (line 27c * $6.18)	1,001,160	162,000 kw	$6.18 /kw
33.Balance to Other Classes	1,535,640	127,697,000	1.20257
APPORTIONMENT OF NON–DEMAND COSTS			
34.Total Non–Demand Costs (line 30b)	5,319,326		
35.Total KWH Purchased (line 12)		175,288,000	
36.Average Cost per KWH Purchased			3.03462
37.Avg. Cost Adjusted for Transmission line losses (line 36 * 1.03)			3.12566
38.GSLD Non–Demand Costs (line 27a * line 37)	1,125,141	36,000,000	3.12539
39.Balance to Other Customers	4,194,185	127,697,000	3.28448
GSLD PURCHASED POWER COST RECOVERY FACTORS			
40a.Total GSLD Demand Costs (Line 32)	1,001,160	162,000 kw	$6.18 /kw
40b.Revenue Tax Factor			1.01609
40c.GSLD Demand Purchased Power factor adjusted for taxes and rounded:			$6.28
40d.Total Current GSLD Non–Demand Costs (line 38)	1,125,141	36,000,000	3.12539
40e.Total Non–Demand Costs including true–up	1,125,141	36,000,000	3.12539
40f.Revenue Tax Factor			1.01609
40g.GSLD Non–demand costs adjusted for taxes			3.176
OTHER CLASSES PURCHASED POWER COST RECOVERY FACTORS			
41a.Total Demand and Non–Demand Purchased Power Costs of other classes (lines 33 + 39)	5,729,825	127,697,000	4.48705
41b.Less: Total Demand Cost Recovery	1,535,640 (a)		
41c.Total Other Costs to be Recovered	4,194,185 (a)	127,697,000	3.28448
41d.Other Classes' Portion of True–up (line 30 C)	(52,680)	127,697,000	–0.04125
41e.Total Demand and Non–Demand Costs including True–up	4,141,505	127,697,000	3.24323
42.Revenue tax factor			1.01609
			3.29541
43.OTHER CLASSES PURCHASED POWER FACTOR ADJUSTED FOR TAXES ROUNDED TO THE NEAREST .001 CENTS PER KWH:			**3.295**

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

C:\123\FUEL\AS96.WK3