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ORIGINAL

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Matthew M Childs, P.A.

January 23, 1998

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

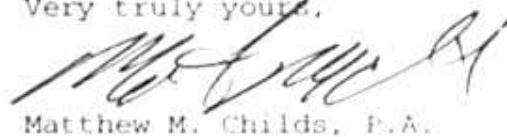
RE: DOCKET NO. 980001-EP

Dear Ms. Bayó:

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

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

Very truly yours,



Matthew M. Childs, P.A.

- ACK _____
- AFA Hankovic
- APP _____
- C-F _____
- CMU _____
- CTR MMC/ml
- CTR Behrman
- EAC Behrman
- LEG 1
- LES 3
- LES _____
- POH _____
- REG 4
- RES _____
- TRC _____

Parties of Record

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FPSC-BUREAU OF RECORDS

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DOCUMENT NUMBER DATE

01289 JUN 23 98

FPSC-RECORDS-REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Investigation Of Fuel)
Cost Recovery Clauses Of)
Electric Companies)

DOCKET NO. 980001-EI

FILED: JANUARY 23, 1998

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

FUEL ADJUSTMENT ISSUES

1. What is the final fuel true-up amount for the period April 1, 1997 through September 30, 1997?

FPL: \$64,381,785 underrecovery.

2. What is the estimated/actual fuel true-up amount for the period October 1, 1997 through March 31, 1998 based upon two months actual and four months revised estimates?

FPL: \$71,127,379 underrecovery.

3. What is the total fuel adjustment true-up amount to be collected during the period April 1998 through September 1998?

FPL: \$135,509,164 underrecovery to be collected during the period April 1, 1998 through December 31, 1998

4. What is the appropriate levelized fuel adjustment factor for the period April 1998 through September 1998?

FPL: 1.972 cents/kwh is the levelized recovery charge to be collected during the period April 1, 1998 through December 31, 1998.

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 billing on cycle day 3 of April 1998 and continue through customer billings on cycle day 2 of December 1998. This will provide 9 months of billing on the Fuel Cost Recovery and Capacity Cost Recovery Factors for all customers. FPL has also presented in its filing the traditional six month calculation of fuel costs and resulting fuel factors which should be used should the Commission not approve the requested nine month factors.

6. What are the appropriate fuel recovery line loss multipliers for 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 for the period April 1, 1998 through December 31, 1998?

FPL:

GROUP	RATE SCHEDULE	AVERAGE FACTOR	FUEL RECOVERY LOSS MULTIPLIER	FUEL RECOVERY FACTOR
A	RS-1,GS-1,SL-2	2.112	1.00213	2.116
A-1*	SL-1,OL-1	2.076	1.00213	2.080
B	GSD-1	2.112	1.00212	2.116
C	GSLD-1 & CS-1	2.112	1.00179	2.116
D	GSLD-2,CS-2, OS-2 & MET	2.112	0.99591	2.103
E	GSLE 3 & CS-3	2.112	0.95658	2.020
A	RST-1,GST-1 ON-PEAK	2.250	1.00213	2.254
	OFF-PEAK	2.043	1.00213	2.048
B	GSDT-1 ON-PEAK CILC-1(G)	2.250	1.00212	2.254
	OFF-PEAK	2.043	1.00212	2.048
C	GSLDT-1 & ON-PEAK	2.250	1.00179	2.254
	CST-1 OFF-PEAK	2.043	1.00179	2.047
D	GSLDT-2 & ON-PEAK	2.250	0.99591	2.240
	CST-2 OFF-PEAK	2.043	0.99591	2.035
E	GSLDT-3,CST-3 ON-PEAK	2.250	0.95658	2.152
	CILC-1(T)&ISST-1(T)	2.250	0.95658	2.152
	OFF-PEAK	2.043	0.95658	1.954
F	CILC-1(D)& ON-PEAK	2.250	0.99785	2.245
	ISST-1(D)	2.250	0.99785	2.245
	OFF-PEAK	2.043	0.99785	2.039

*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 April 1998 through September 1998?

FPL: 1.01609 is the revenue tax factor to be applied for the projection period of April 1, 1998 through December 31, 1998.

GENERATING PERFORMANCE INCENTIVE FACTOR (GPIF) ISSUES

FPL: Pursuant to Commission Order No. PSC-96-1172-FOF-EI dated September 19, 1996 FPL's GPIF Recovery period is October through September, therefore there are no general GPIF factor issues for FPL.

CAPACITY COST RECOVERY ISSUES

FPL: Pursuant to Commission Order No. PSC-96-1172-FOF-EI dated September 19, 1996 FPL's Capacity Cost Recovery period is October through September, therefore there are no general Capacity Cost factor issues for FPL.

COMPANY-SPECIFIC CAPACITY COST RECOVERY ISSUES

- 20B. Should FPL's request for a midcourse correction to its currently authorized Capacity Cost Recovery Factors be approved?

FPL: Yes. FPL is requesting that the Commission approve a midcourse correction to decrease its currently authorized Capacity Cost Recovery Factors. FPL has experienced a \$63.4 million overrecovery due primarily to lower than expected capacity payments to the Okeelanta and Osceola facilities during October 1997 through September 1998. FPL believes that this midcourse correction is appropriate due to its magnitude.

20C. What are the appropriate Capacity Cost Recovery Factors for each rate group?

FPL:

RATE CLASS	CAPACITY RECOVERY FACTOR (\$/KW)	CAPACITY RECOVERY FACTOR (\$/KWH)
RS1	-	0.00469
GS1	-	0.00408
GSD1	1.49	-
OS2	-	0.00242
GSLD1/CS1	1.53	-
GSLD2/CS2	1.54	-
GSLD3/CS3	1.49	-
CILCD/CILCG	1.56	-
CILCT	1.47	-
MET	1.64	-
OL1/SL1	-	0.00075
SL2	-	0.00286

RATE CLASS	CAPACITY RECOVERY FACTOR (RESERVATION DEMAND CHARGE) (\$/KW)	CAPACITY RECOVERY FACTOR (SUM OF DAILY DEMAND CHARGE) (\$/KW)
ISST1D	.20	.10
SST1T	.19	.09
SST1D	.20	.09

COMPANY SPECIFIC ISSUES

21. Should FPL's Fuel Cost Recovery period be changed to the twelve calendar months in a year beginning January 1999?

FPL: Yes, In support of FPL's proposed change, FPL believes the twelve month recovery period offers significant cost reduction benefits and, facilitates customer planning for cost of electricity by having the fuel cost estimates for a longer term than currently and on a calendar year basis.

22. Should FPL's capacity cost recovery period be changed to the twelve calendar months in a year beginning January 1999?

FPL: Yes. FPL believes that its capacity cost recovery periods should be changed to the twelve calendar months in a year.

23. Is it appropriate to establish FPL's proposed fuel and capacity cost recovery factors for the period April through December 1998 to accomplish a transition to a recovery period of twelve calendar months?

FPL: Yes. To facilitate the transition to a twelve calendar month annual cost recovery period, FPL believes the most efficient way is to implement a nine month factor. Therefore, FPL is presenting the fuel and capacity factors for the period April 1998 through December 1998. FPL also presents in the Testimony and Exhibits of K.M. Dubin the factor on a six month basis.

WITNESSES AND SUBJECT MATTER

WITNESS	SPONSOR	SUBJECT MATTER	EXHIBIT TITLES
K.M. DUBIN	FPL	Fuel Cost Recovery, Final True-Up April 1997 through September 1997	Appendix I
R. SILVA	FPL	Fuel Cost Recovery	Appendix I
R. SILVA K.M. DUBIN R.L. WADE	FPL FPL FPL	Levelized Fuel Cost Recovery Factors for April 1998 through December 1998	Appendix II

WITNESS	SPONSOR	SUBJECT MATTER	EXHIBIT TITLES
K.M. DUBIN R. SILVA R.L. WADE	FPL FPL FPL	Levelized Fuel Cost Recovery Factors for April 1998 through September 1998	Appendix III
K.M. DUBIN	FPL	Capacity Cost Recovery Midcourse Correction, Factors for April 1998 through December 1998	Appendix IV

Dated this 23rd day of January, 1998.

Respectfully submitted,

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Attorneys for Florida Power
& Light Company

BY: 
Matthew M. Childs, P.A.

**CERTIFICATE OF SERVICE
DOCKET NO. 980001-EI**

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's List of Issues and Positions been furnished by Hand Delivery,** or U.S. Mail this 23rd day of January, 1998, to the following:

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