



ORIGINAL

August 3, 1998

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Docket No. 971660-EI

Dear Ms. Bayo:

Enclosed for filing please find Florida Power & Light Company's response to Staff's informal question in Docket 971660-EI. In addition to the response to Staff's request, we are filing an original and 15 copies of updated depreciation studies for Ft. Myers and Sanford, to reflect the planned repowering projects.

If you have any questions, please do not hesitate to contact me at (305) 552-3643.

Sincerely,

Samuel S. Waters  
Director, Regulatory Affairs

ACK cc: Pat Lee

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an FPL Group company

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FPSC-RECORDS/REPORTING

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08289 AUG -5 88

FPSC-RECORDS/REPORTING



August 3, 1998

Ms. Pat Lee  
Utility Systems/Communications Engineer Supervisor  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Docket No. 971660-EI, 1997 Depreciation Study by Florida Power & Light Company

Dear Ms. Lee:

In response to your request for data concerning the repowering of the Ft. Myers Units No. 1 and 2 and the repowering of Sanford Units No. 3 and 4, Florida Power & Light Company (FPL) has prepared Attachment I. The enclosed Attachment I shows the net book value of the plant at December 31, 1997 that is currently estimated to be retired when these units are repowered. In addition, FPL has updated, for filing in this docket, its depreciation studies for the Ft. Myers and Sanford sites to reflect these repowerings. Ft. Myers Units No. 1 and 2 are scheduled to be repowered and back in service by the end of 2001 and Sanford Units No. 3 and 4 are scheduled to be repowered and back in service by the end of 2003. The depreciation rates that result from these updated studies will allow for the components of the plant, that are estimated to be retired during the repowering process, to be fully depreciated by the time the units are repowered.

These updated studies also reflect depreciation rates that consider the average service and remaining lives of the components that will be reused. The depreciation rates for those components reflect a 25 year service life consistent with the life used in the depreciation studies for the combined cycle units at Martin and Ft. Lauderdale. The 25 year life was used in the updated studies to reflect the latest information, which is substantiated by the manufactures, on the component and plant life of this evolving technology.

Finally, the updated depreciation studies for the Ft. Myers and Sanford sites do not reflect a change in the net salvage component for the cost of removal associated with the repowerings. The cost of removal associated with the repowerings will be charged to the dismantlement reserves as was allowed by the Florida Public Service Commission (FPSC) for the repowering of FPL's Ft. Lauderdale units. The effect of the repowerings on the dismantlement reserves will be reflected in FPL's dismantlement studies that are scheduled to be filed with the FPSC on or before October 1, 1998.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Donald L. Babka', is written over the typed name.

Donald L. Babka  
Director of Regulatory and Tax Accounting

cc: W.G. Walker, III  
Matthew M. Childs

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING an FPL Group Company

FLORIDA POWER & LIGHT COMPANY  
NET BOOK VALUE AT 12/31/97 OF PLANT  
PROJECTED TO BE RETIRED AT TIME OF REPOWERING

Attachment 1

Account Number	Account Description	Plant Balance of Projected Repowering Retirements At 12/31/97 a	Reserve Balance At 12/31/97 b	Net Book Value of Projected Repowering Retirements At 12/31/97 c
Ft. Myers Common				
311	Structures & Improvements			
311.1	Site Preparation	0	0	0
311.2	Site Facilities	150,413	89,104	61,309
311.3	Station Buildings	0	0	0
311.4	Cooling Systems	0	0	0
311.5	Raw and Treated Water Systems	0	0	0
311.6	Security Systems	0	0	0
311.7	Fuel Unloading and Storage Systems	5,607,509	3,321,872	2,285,637
	Total Account 311	5,757,922	3,410,976	2,346,945
312	Boiler Plant Equipment			
312.1	Steam Generating Equipment	0	0	0
312.2	Steam Systems and Equipment	290,781	(118,855)	409,436
312.3	Condensate and Feedwater Systems	438,095	(177,952)	614,047
312.4	Boiler Auxiliary Systems	29,207	(11,918)	41,125
312.5	Fuel Supply Systems	10,290	(4,199)	14,489
312.6	Fuel Firing Systems	0	0	0
312.7	Waste Management Systems	0	0	0
	Total Account 312	768,373	(312,724)	1,079,097
314	Turbo-Generator Units			
314.1	Turbine Generator Pedestal	0	0	0
314.2	Turbine Generator Systems	0	0	0
314.3	Condensing Systems	0	0	0
314.4	Turbine Generator Auxiliaries	0	0	0
314.8	Turbine Gantry Crane Systems	0	0	0
	Total Account 314	0	0	0
315	Accessory Electric Equipment			
315.1	Structural Supports	0	0	0
315.2	Auxiliary Power Systems	0	0	0
315.3	Conductors, Conduits and Insulators	0	0	0
315.4	Turbine Generator Auxiliaries	0	0	0
315.5	Switchgears and Motor Control Centers	131,352	59,946	71,406
315.6	Information Systems	0	0	0
	Total Account 315	131,352	59,946	71,406
316	Miscellaneous Plant Equipment			
316.1	Station Service Equipment	166,445	134,419	32,026
316.2	Maintenance Shop Equipment	0	0	0
	Total Account 316	166,445	134,419	32,026
	Total Ft. Myers Common	6,822,092	3,292,617	3,529,474

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<b>Ft. Myers Unit 1</b>				
311	Structures and Improvements			
311.1	Site Preparation	0	0	0
311.2	Site Facilities	0	0	0
311.3	Station Buildings	0	0	0
311.4	Cooling Systems	0	0	0
311.5	Raw and Treated Water Systems	0	0	0
311.6	Security Systems	0	0	0
311.7	Fuel Unloading and Storage Facilities	0	0	0
Total Account 311		0	0	0
312	Boiler Plant Equipment			
312.1	Steam Generating Equipment	3,846,696	3,650,254	196,442
312.2	Steam Systems and Equipment	572,719	543,472	29,247
312.3	Condensate and Feedwater Systems	910,136	863,658	46,479
312.4	Boiler Auxiliary Systems	2,247,754	2,132,967	114,787
312.5	Fuel Supply Systems	274,390	260,378	14,012
312.6	Fuel Firing Systems	1,053,966	1,000,142	53,824
312.7	Waste Management Systems	21,147	20,067	1,080
Total Account 312		8,926,608	8,470,937	455,671
314	Turbogenerator Units			
314.1	Turbine Generator Pedestal	0	0	0
314.2	Turbine Generator Systems	0	0	0
314.3	Condensing Systems	0	0	0
314.4	Turbine Generator Auxiliaries	631,798	608,970	22,828
314.8	Turbine Gantry Crane Systems	0	0	0
Total Account 314		631,798	608,970	22,828
315	Accessory Electric Equipment			
315.0	Settlements and Contributions	0	0	0
315.1	Structural Supports	0	0	0
315.2	Auxiliary Power Systems	0	0	0
315.3	Conductors, Conduits and Insulators	0	0	0
315.4	Switching, Control and Protective Systems	86,765	60,330	26,435
315.5	Switchgears and Motor Control Centers	134,898	93,798	41,100
315.6	Information Systems	258,002	179,396	78,606
Total Account 315		479,665	333,524	146,141
316	Miscellaneous Power Plant Equipment			
316.1	Station Service Equipment	221,476	197,207	24,269
Total Account 316		221,476	197,207	24,269
Total Ft. Myers Unit 1		10,259,747	9,610,638	649,109

FLORIDA POWER & LIGHT COMPANY  
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Account Number	Account Description	Plant Balance of Projected Repowering Retirements At 12/31/97 a	Reserve Balances At 12/31/97 b	Net Book Value of Projected Repowering Retirements At 12/31/97 c
<b>Fl. Myers Unit 2</b>				
311	Structures & Improvements			
311.1	Site Preparation	0	0	0
311.2	Site Facilities	0	0	0
311.3	Station Buildings	73,419	38,980	34,439
311.4	Cooling Systems	0	0	0
311.5	Raw and Treated Water Systems	0	0	0
311.6	Security Systems	0	0	0
311.7	Fuel Unloading and Storage Facilities	77,121	40,946	38,175
<b>Total Account 311</b>		<b>150,540</b>	<b>79,926</b>	<b>70,614</b>
312	Boiler Plant Equipment			
312.1	Steam Generating Equipment	12,839,811	7,493,405	5,346,206
312.2	Steam Systems and Equipment	1,427,278	832,963	594,295
312.3	Condensate and Feedwater Systems	1,423,247	830,630	562,617
312.4	Boiler Auxiliary Systems	6,862,633	3,888,421	2,774,212
312.5	Fuel Supply Systems	400,540	233,762	166,778
312.6	Fuel Firing Systems	1,029,049	600,570	428,479
312.7	Waste Management Systems	52,088	30,399	21,689
<b>Total Account 312</b>		<b>23,834,446</b>	<b>13,910,169</b>	<b>9,924,277</b>
314	Turbo-Generator Units			
314.1	Turbine Generator Pedestal	0	0	0
314.2	Turbine Generator Systems	0	0	0
314.3	Condensing Systems	0	0	0
314.4	Turbine Generator Auxiliaries	1,731,350	1,175,871	555,478
314.8	Turbine Gantry Crane Systems	0	0	0
<b>Total Account 314</b>		<b>1,731,350</b>	<b>1,175,871</b>	<b>555,478</b>
315	Accessory Electric Equipment			
315.1	Structural Supports	0	0	0
315.2	Auxiliary Power Systems	0	0	0
315.3	Conductors, Conduits and Insulators	0	0	0
315.4	Switching, Control and Protective Systems	0	0	0
315.5	Switchgears and Motor Control Centers	314,969	191,549	123,439
315.6	Information Systems	253,329	154,053	99,276
<b>Total Account 315</b>		<b>568,317</b>	<b>345,602</b>	<b>222,715</b>
316	Miscellaneous Power Plant Equipment			
316.1	Station Service Equipment	220,638	156,180	64,456
<b>Total Account 316</b>		<b>220,638</b>	<b>156,180</b>	<b>64,456</b>
<b>Total Fl. Myers Unit 2</b>		<b>28,506,291</b>	<b>15,667,748</b>	<b>10,837,542</b>

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Sanford Common				
311	Structures & Improvements			
311.1	Site Preparation	0	0	0
311.2	Site Facilities	0	0	0
311.3	Station Buildings	1,225,062	689,710	535,352
311.4	Cooling Systems	0	0	0
311.5	Raw and Treated Water Systems	0	0	0
311.6	Security Systems	0	0	0
311.7	Fuel Unloading and Storage Facilities	949,839	534,759	415,079
Total Account 311		2,174,901	1,224,469	950,432
312	Boiler Plant Equipment			
312.1	Steam Generating Equipment	0	0	0
312.2	Steam Systems and Equipment	0	0	0
312.3	Condensate and Feedwater Systems	0	0	0
312.4	Boiler Auxiliary Systems	0	0	0
312.5	Fuel Supply Systems	0	0	0
312.6	Fuel Firing Systems	0	0	0
312.7	Waste Management Systems	0	0	0
Total Account 312		0	0	0
314	Turbogenerator Units			
314.1	Turbine Generator Pedestal	0	0	0
314.2	Turbine Generator Systems	0	0	0
314.3	Condensing Systems	0	0	0
314.4	Turbine Generator Auxiliaries	0	0	0
314.8	Turbine Gantry Crane Systems	0	0	0
Total Account 314		0	0	0
315	Accessory Electric Equipment			
315.1	Structural Supports	0	0	0
315.2	Auxiliary Power Systems	0	0	0
315.3	Conductors, Conduits and Insulators	0	0	0
315.4	Switching, Control and Protective System	54,000	34,560	19,440
315.5	Switchgears and Motor Control Centers	11,482	7,348	4,133
315.6	Information Systems	102,015	65,290	36,725
Total Account 315		167,497	107,198	60,299
316	Miscellaneous Power Plant Equipment			
316.1	Station Service Equipment	651	183	468
316.2	Maintenance Shop Equipment	0	0	0
Total Account 316		651	183	468
Total Sanford Common		2,343,048	1,331,850	1,011,198

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<b>Sanford Unit 3</b>				
<b>311</b>	<b>Structures &amp; Improvements</b>			
311.1	Site Preparation	0	0	0
311.2	Site Facilities	0	0	0
311.3	Station Buildings	596,950	505,020	91,930
311.4	Cooling Systems	0	0	0
311.5	Raw and Treated Water Systems	0	0	0
311.6	Security Systems	0	0	0
311.7	Fuel Unloading and Storage Facilities	0	0	0
Total Account 311		596,950	505,020	91,930
<b>312</b>	<b>Boiler Plant Equipment</b>			
312.1	Steam Generating Equipment	2,826,687	2,394,204	432,483
312.2	Steam Systems and Equipment	729,999	615,309	111,690
312.3	Condensate and Feedwater Systems	600,397	508,537	91,861
312.4	Boiler Auxiliary Systems	2,304,000	1,951,488	352,512
312.5	Fuel Supply Systems	263,101	222,847	40,254
312.6	Fuel Firing Systems	1,760,131	1,490,831	269,300
312.7	Waste Management Systems	4,072	3,449	623
Total Account 312		8,488,387	7,189,654	1,298,723
<b>314</b>	<b>Turbogenerator Units</b>			
314.1	Turbine Generator Pedestal	0	0	0
314.2	Turbine Generator Systems	0	0	0
314	Condensing Systems	0	0	0
314.4	Turbine Generator Auxiliaries	224,505	220,688	3,817
314.8	Turbine Gantry Crane Systems	0	0	0
Total Account 314		224,505	220,688	3,817
<b>315</b>	<b>Accessory Electric Equipment</b>			
315.1	Structural Supports	0	0	0
315.2	Auxiliary Power Systems	0	0	0
315.3	Conductors, Conduits and Insulators	0	0	0
315.4	Switching, Control and Protective System	0	0	0
315.5	Switchgears and Motor Control Centers	171,099	159,464	11,635
315.6	Information Systems	205,385	191,419	13,966
Total Account 315		376,484	350,883	25,601
<b>316</b>	<b>Miscellaneous Power Plant Equipment</b>			
316.1	Station Service Equipment	323,567	314,507	9,060
316.2	Maintenance Shop Equipment	0	0	0
Total Account 316		323,567	314,507	9,060
<b>Total Sanford Unit 3</b>		<b>10,009,893</b>	<b>8,580,762</b>	<b>1,429,131</b>

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<b>Sanford Unit 4</b>				
311	Structures & Improvements			
311.1	Site Preparation	0	0	0
311.2	Site Facilities	0	0	0
311.3	Station Buildings	185,479	124,456	61,023
311.4	Cooling Systems	0	0	0
311.5	Raw and Treated Water Systems	0	0	0
311.6	Security Systems	0	0	0
311.7	Fuel Unloading and Storage Facilities	0	0	0
	<b>Total Account 311</b>	<b>185,479</b>	<b>124,456</b>	<b>61,023</b>
312	Boiler Plant Equipment			
312.1	Steam Generating Equipment	12,529,753	8,662,881	3,946,872
312.2	Steam Systems and Equipment	2,068,842	1,415,102	650,740
312.3	Condensate and Feedwater Systems	2,069,022	1,417,280	651,742
312.4	Boiler Auxiliary Systems	8,670,104	5,939,021	2,731,063
312.5	Fuel Supply Systems	1,097,591	751,850	345,741
312.6	Fuel Firing Systems	1,873,402	1,283,280	590,122
312.7	Waste Management Systems	2,575	1,764	811
	<b>Total Account 312</b>	<b>28,308,289</b>	<b>19,391,178</b>	<b>8,917,111</b>
314	Turbogenerator Units			
314.1	Turbine Generator Pedestal	0	0	0
314.2	Turbine Generator Systems	0	0	0
314.3	Condensing Systems	0	0	0
314.4	Turbine Generator Auxiliaries	662,883	624,911	337,972
314.8	Turbine Gantry Crane Systems	0	0	0
	<b>Total Account 314</b>	<b>662,883</b>	<b>624,911</b>	<b>337,972</b>
315	Accessory Electric Equipment			
315.1	Structural Supports	0	0	0
315.2	Auxiliary Power Systems	0	0	0
315.3	Conductors, Conduits and Insulators	0	0	0
315.4	Switching, Control and Protective System	0	0	0
315.5	Switchgears and Motor Control Centers	588,205	424,964	151,241
315.6	Information Systems	152,489	113,147	39,342
	<b>Total Account 315</b>	<b>738,694</b>	<b>548,111</b>	<b>190,583</b>
316	Miscellaneous Power Plant Equipment			
316.1	Station Service Equipment	1,179,615	898,667	280,748
316.2	Maintenance Shop Equipment	0	0	0
	<b>Total Account 316</b>	<b>1,179,615</b>	<b>898,667</b>	<b>280,748</b>
	<b>Total Sanford Unit 4</b>	<b>31,374,960</b>	<b>21,587,523</b>	<b>9,787,437</b>