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**Florida
Power**
CORPORATION

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JAMES A. MCGEE
SENIOR COUNSEL

February 14, 1995

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0870

Re: Docket No. 950001-EI

Dear Ms. Bayó:

Enclosed for filing in the subject docket are fifteen copies of Florida Power Corporation's Prehearing Statement.

ACK Please acknowledge your receipt of the above filing on the enclosed copy
AFA of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette
APP containing the above-referenced document in WordPerfect format. Thank you for
CAF your assistance in this matter.

CMU

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EAG Dudley 5

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Enclosure

REC

SEC / cc: Parties of Record

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OTH RECEIVED & FILED

Very truly yours,

James A. McGee

FPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

01813 FEB 15 1995

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

Docket No. 950001-EI

Submitted for filing:
February 13, 1995

**PREHEARING STATEMENT OF
FLORIDA POWER CORPORATION**

Florida Power Corporation (FPC), pursuant to Rule 25-22.038, Florida Administrative Code, hereby submits its Prehearing Statement with respect to its levelized fuel and capacity cost recovery factors and its Generating Performance Incentive Factor (GPIF) for the period of April through September, 1995 and states as follows:

A. APPEARANCES

JAMES A. MCGEE, Esquire, Post Office Box 14042, St. Petersburg, FL
33733-4042

On behalf of Florida Power Corporation

B. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Karl H. Wieland	Fuel and Capacity Cost Recovery: True-up and Projections	1-7, 10-14
Larry G. Turner	GPIF: Reward/Penalty and Targets/Ranges	8 and 9

C. EXHIBITS

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
<u>(KHW-1)</u>	Wieland	True-up Variance Analysis
<u>(KHW-2)</u>	Wieland	Schedules A1 through A13 (True-up)
<u>(KHW-3)</u>	Wieland	Forecast Assumptions (Parts A-C), and Capacity Cost Recovery Factors (Part D)
<u>(KHW-4)</u>	Wieland	Schedules E1 through E11 and H1 (Projections)
<u>(LGT-1)</u>	Turner	Standard Form GPIF Schedules (Reward/Penalty)
<u>(LGT-2)</u>	Turner	Standard Form GPIF Schedules (Targets/Ranges)

D. STATEMENT OF BASIC POSITION

None necessary.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Fuel Adjustment Issues

1. **ISSUE:** What are the appropriate final true-up amounts for the period of April through September 1994?

EPC: \$2,284,495 under-recovery. (Wieland)

2. **ISSUE:** What are the estimated fuel adjustment true-up amounts for the period of October, 1994 through March, 1995?

FPC: \$12,575,671 over-recovery. (Wieland)

3. **ISSUE:** What are the total true-up amounts to be collected during the period of April through September 1995?

FPC: \$10,291,176 over-recovery. (Wieland)

4. **ISSUE:** What are the appropriate levelized fuel cost recovery factors for the period of April through September 1995?

FPC: 1.891 cents per kWh - before line loss adjustment. (Wieland)

5. **ISSUE:** What should be the effective date of the new fuel cost recovery factors and oil backout factors, if any, for billing purposes?

FPC: The new factors should be effective beginning with the first billing cycle for April, 1995, and thereafter through the last billing cycle for September, 1995. The first billing cycle may start before April 1, 1995, and the last billing cycle may end after September 30, 1995, so long as each customer is billed for six months regardless of when the factors became effective.

6. **ISSUE:** What are the appropriate fuel recovery loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate/delivery voltage level group?

FPC:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Line Loss Multiplier</u>
A.	Transmission	0.9800
B.	Distribution Primary	0.9900
C.	Distribution Secondary	1.0000
D.	Lighting Service	1.0000

(Wieland)

7. **ISSUE:** What are the appropriate fuel cost recovery factors for each rate/delivery voltage level group, adjusted for line losses?

FPC:

Group	Delivery Voltage Level	Fuel Cost Factors (cents/kWh)		
		Standard	Time Of Use	
			On-Peak	Off-Peak
A.	Transmission	1.856	2.376	1.583
B.	Distribution Primary	1.875	2.400	1.599
C.	Distribution Secondary	1.894	2.424	1.616
D.	Lighting Service	1.767		

(Wieland)

Generic Generating Performance Incentive Factor Issues

8. **ISSUE:** What is the appropriate GPIF reward or penalty for performance achieved during the period of April through September 1994?

FPC: \$986,547 reward. (Turner)

9. **ISSUE:** What should the GPIF targets/ranges be for the period of April through September 1995?

FPC: See Attachment A. (Turner)

Generic Capacity Cost Recovery Issues

10. **ISSUE:** What is the appropriate final capacity cost recovery true-up amount for the period of April through September 1994?

FPC: \$6,943,182 over-recovery. (Wieland)

11. **ISSUE:** What is the estimated capacity cost recovery true-up amount for the period of October, 1994 through March, 1995?

FPC: \$9,851,617 under-recovery. (Wieland)

12. ISSUE: What is the total capacity cost recovery true-up amount to be collected during the period of April through September 1995?

FPC: \$2,963,435 under-recovery. (Wieland)

13. ISSUE: What are the appropriate capacity cost recovery factors for the period of April through September 1995?

FPC: See Attachment B. (Wieland)

Company-specific Capacity Cost Recovery Issues

14. ISSUE: Should FPC's proposal to combine the capacity cost responsibilities its RS and GS non-demand rate schedules be approved?

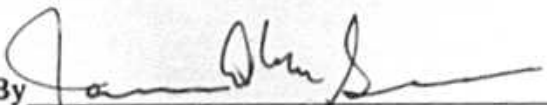
FPC: Since costs recovered through the capacity cost recovery clause are comparable to other capacity-related costs recovered through base rates, FPC believes that these costs should be recovered in a manner consistent with the policy established by the Commission for base rates, which combines the capacity cost responsibility of the two classes.

F. STIPULATED ISSUES: None at this time.

G. PENDING MOTIONS: None.

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By 

James A. McGee
Post Office Box 14042
St. Petersburg, FL 33733-4042
(813) 866-5184

ATTACHMENT A

Original Sheet No. 7.103.1

GPIF TARGET AND RANGE SUMMARY

Company: Florida Power Corporation
 Period of: Apr. 1995 - Sep. 1995

Plant/Unit	Weighting Factor (%)	EAF Target (%)	EAF RANGE		Max. Fuel Savings (\$000)	Max. Fuel Loss (\$000)
			Max. (%)	Min. (%)		
ANC. 1	2.10	97.06	98.45	94.20	202.7	487.1
ANC. 2	1.54	97.24	98.54	94.63	149.2	332.6
C.R. 1	6.16	60.22	64.24	52.25	594.8	856.4
C.R. 2	12.99	83.60	91.09	69.44	1254.7	715.8
C.R. 3	14.37	93.96	96.80	88.11	1387.9	1121.2
C.R. 4	8.34	92.90	96.23	86.10	806.0	1505.3
C.R. 5	5.07	90.59	93.21	85.26	489.9	791.7
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GPIF System	50.58				4885.2	5810.1

Plant/Unit	Weighting Factor (%)	ANOHRR Target (BTU/KWH)	NOF	ANOHRR RANGE		Max. Fuel Savings (\$000)	Max. Fuel Loss (\$000)
				Min. (%)	Max. (%)		
ANC. 1	6.06	9268	78.9	9016	9520	585.5	585.5
ANC. 2	2.98	9565	72.4	9396	9735	287.5	287.5
C.R. 1	2.55	10130	74.2	9958	10301	246.6	246.6
C.R. 2	6.21	10053	81.5	9832	10273	599.5	599.5
C.R. 3	15.77	10532	100.0	10331	10733	1523.2	1523.2
C.R. 4	7.61	9377	84.1	9227	9527	735.5	735.5
C.R. 5	8.24	9274	95.4	9124	9424	795.6	795.6
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GPIF System	49.42					4773.4	4773.4

Issued by: FPC

Filed:
 Suspended:
 Effective:
 Docket No.:
 Order No.:

FLORIDA POWER CORPORATION
CAPACITY COST RECOVERY CLAUSE
CALCULATION OF CAPACITY COST RECOVERY FACTOR

For the Period of: April through September 1995

Florida Power Corporation
Docket 950001-EI
Witness: K. H. Wieland
Exhibit No. _____
Part D
Sheet 5 of 5
Revised: 2/03/95

RATE CLASS	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	AVERAGE 12 CP DEMAND MW	%	ANNUAL AVERAGE DEMAND MW	%	12/13 of 12 CP 12/13 * (2)	1/13 of Ann. Demand 1/13 * (4)	Demand Allocation (5) + (6)	Dollar Allocation (7) * \$116486270	Effective MWh's @ Secondary Level (Apr'95-Sep'95)	Capacity Cost Recovery Factor (\$/kWh)
I. Residential Service	3,704.9	62.396%	1,888.9	51.121%	57.597%	3.932%	61.529%	\$71,672,831	7,807,257	0.905
II. General Service Non-Demand Transmission										
Primary									0	0.887
Secondary									2,352	0.896
Total	210.8	3.550%	137.9	3.732%	3.277%	0.287%	3.564%	\$4,151,847	567,586	0.905
Composite RS & OS								\$75,824,678	8,377,195	
III. OS - 100% L.F.	5.4	0.091%	5.3	0.144%	0.084%	0.011%	0.095%	\$110,603	22,028	0.502
IV. General Service Demand Transmission										
Primary									11,036	0.598
Secondary									1,294,735	0.604
Total	1,740.5	29.312%	1,380.6	37.366%	27.058%	2.874%	29.932%	\$34,866,595	4,409,356	0.610
V. Curtailable Service Transmission										
Primary									0	0.501
Secondary									109,591	0.506
Total	27.4	0.462%	26.4	0.713%	0.426%	0.055%	0.481%	\$560,717	45	0.511
VI. Interruptible Service Transmission										
Primary									456,590	0.502
Secondary									507,491	0.507
Total	241.8	4.073%	231.9	6.277%	3.760%	0.483%	4.243%	\$4,942,023	916	0.512
VII. Lighting Service	6.8	0.115%	23.9	0.648%	0.106%	0.050%	0.156%	\$181,655	964,997	
TOTAL RETAIL	5,937.6	100.000%	3,695.0	100.000%	92.308%	7.692%	100.000%	\$116,486,270	15,287,953	0.760512 <small>(\$/kWh)</small>

ATTACHMENT B

CERTIFICATE OF SERVICE

Docket No. 950001-EI

I HEREBY CERTIFY that a true and correct copy of Florida Power Corporation's Prehearing Statement was sent by regular U.S. mail to the following individuals this 14th day of February, 1995:

Lee L. Willis, Esquire
James D. Beasley, Esquire
Macfarlane Ausley Ferguson
& McMullen
P.O. Box 391
Tallahassee, FL 32302

G. Edison Holland, Jr., Esquire
Jeffrey A. Stone, Esquire
Beggs & Lane
P. O. Box 12950
Pensacola, FL 32576-2950

Joseph A. McGlothlin, Esquire
Vicki Gordon Kaufman, Esquire
McWhirter, Reeves, McGlothlin,
Davidson & Bakas
315 S. Calhoun Street, Suite 716
Tallahassee, FL 32301

Richard A. Zambo, Esquire
598 S. W. Hidden River Avenue
Palm City, FL 34990

Martha C. Brown, Esquire
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399-0863

Matthew A. Kane, Jr., Esq.
Tropicana Products, Inc.
Post Office Box 338
Bradenton, FL 34206

Floyd R. Self, Esquire
Messer, Vickers, Caparello,
Frend & Madsen
P.O. Box 1876
Tallahassee, FL 32302

Barry N. P. Huddleston
Public Affairs Specialist
Destec Energy, Inc.
2500 CityWest Blvd., Suite 150
Houston, TX 77210-4411

J. Roger Howe, Esquire
Office of the Public Counsel
111 West Madison Street, Room 182
Tallahassee, FL 32399-1400

Earle H. O'Donnell, Esq.
Zori G. Ferkin, Esquire
Dewey Ballantine
1775 Pennsylvania Ave., N.W.
Washington, D.C. 20006-4605

Suzanne Brownless, Esquire
2546 Blairstone Pines Drive
Tallahassee, FL 32301

Eugene M. Trisko, Esq.
P.O. Box 596
Berkeley Springs, WV 25411

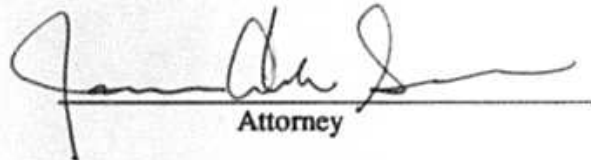
Roger Yott, P.E.
Air Products & Chemicals, Inc.
2 Windsor Plaza
2 Windsor Drive
Allentown, PA 18195

John W. McWhirter, Jr.
McWhirter, Reeves, McGlothlin, Davidson
& Bakas, P.A.
100 North Tampa Street, Suite 2800
Tampa, FL 33602-5126

Richard J. Salem, Esq.
Marian B. Rush
Salem, Saxon & Nielsen, P.A.
101 East Kennedy Blvd.
Suite 3200, One Barnett Plaza
P.O. Box 3399
Tampa, FL 33601

Peter J. P. Brickfield
Brickfield, Burchette & Ritte, P.C.
1025 Thomas Jefferson Street, N.W.
Eighth Floor, West Tower
Washington, D.C. 20007

Stephen R. Yurek
Dahlen, Berg & Co.
2150 Dain Bosworth Plaza
60 South Sixth Street
Minneapolis, MN 55402



Attorney