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February 6, 1998

VIA HAND DELIVERY

Blanca S. Bayo, Director
Division of Records and Reporting
Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

Re: Docket No. 980001-EI

Dear Ms. Bayo:

Enclosed for filing and distribution are the original and ten copies of Florida Industrial Power Users Group's Prehearing Statement in the above docket. Also enclosed is a diskette containing this document in WordPerfect 5.1 format.

Please acknowledge receipt of the above on the extra copy enclosed herein and return it to me. Thank you for your assistance.

ACK Sincerely,

AFA Handwritten
APP Vicki Gordon Kaufman
CAF Vicki Gordon Kaufman

CMU _____
CTR VGK/pw

EAG Encls.

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01960 FEB-68
FPSC-RECORDS/REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 980001-EI
Filed: February 6, 1998

**FLORIDA INDUSTRIAL POWER
USERS GROUP'S PREHEARING STATEMENT**

The Florida Industrial Power Users Group (FIPUG), through its undersigned c
ounsel, files its Prehearing Statement. FIPUG reserves the right to amend this
prehearing statement.

A. APPEARANCES:

JOHN W. McWHIRTER, JR., McWhirter, Reeves, McGlothlin, Davidson, Rief &
Bakas, P.A., 100 North Tampa Street, Suite 2800, Post Office Box 3350,
Tampa, Florida 33601-3350; JOSEPH A. McGLOTHLIN, VICKI GORDON KA
UFMAN, McWhirter, Reeves, McGlothlin, Davidson, Rief & Bakas, P.A., 117
South Gadsden Street, Tallahassee, Florida 32301.

On behalf of the Florida Industrial Power Users Group.

B. WITNESSES:

None at this time.

C. EXHIBITS:

None at this time.

D. STATEMENT OF BASIC POSITION:

Florida Industrial Power Users Group's Statement of Basic Position:

None at this time.

DOCUMENT RECEIVED
01960 FEB-08
FISCAL INFORMATION

E. STATEMENT OF ISSUES AND POSITIONS:

Generic Fuel Adjustment Issues

1. **ISSUE:** What are the appropriate final fuel adjustment true-up amounts for the period April 1997 through September 1997?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
2. **ISSUE:** What are the estimated fuel adjustment true-up amounts for the period October 1997 through March 1998?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
3. **ISSUE:** What are the total fuel adjustment true-up amounts to be collected/refunded during the period April 1998 through September 1998?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
4. **ISSUE:** What are the appropriate levelized fuel cost recovery factors for the period April 1998 through September 1998?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
5. **ISSUE:** What should be the effective date of the new fuel adjustment charge and capacity cost recovery charge for billing purposes?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
6. **ISSUE:** 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?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
7. **ISSUE:** What are the appropriate Fuel Cost Recovery Factors for each rate class/delivery voltage level class adjusted for line losses?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

8. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Company-Specific Fuel Adjustment Issues

Florida Power Corporation

- 9A. **ISSUE:** Should the Commission approve Florida Power Corporation's request to recover the cost of converting Suwannee Unit 3 to burn natural gas?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

- 9B. **ISSUE:** Has Florida Power Corporation properly calculated the replacement fuel costs associated with the Crystal River Unit 3 outage as directed by Order No. PSC-97-0840-S-EI, in Docket No. 970261-EI, issued July 14, 1997?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

- 9C. **ISSUE:** Should FPC's request for approval of its contingent fuel cost factors providing for recovery of stipulated replacement fuel costs associated with the Crystal River Unit 3 outage be approved for the April - September 1998 period?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

- 9D. **ISSUE:** Has Florida Power Corporation properly removed the costs associated with the Lake Cogen settlement which had been previously included in fuel underrecovery balances in Florida Power's monthly "A" Schedules?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

- 9E. **ISSUE:** Has Florida Power Corporation properly calculated the transmission revenue associated with economy, Schedule C, broker energy sales between

itself and directly interconnected utilities as directed by Order No. PSC-98-0073-FOF-EI, in Docket No. 980001-EI, issued January 13, 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

- 9F. **ISSUE:** Should the Commission approve Florida Power Corporation's levelized fuel cost recovery factor which is contingent upon Crystal River Unit 3 being fully operational by March 27, 1998, as defined in the stipulation approved by the Commission in Order No. PSC-97-0840-S-EI, in Docket No. 970261-EI, issued July 14, 1997?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

- 10A. **ISSUE:** Has Florida Power & Light Company properly calculated the transmission revenue associated with economy, Schedule C, broker energy sales between itself and directly interconnected utilities as directed by Order No. PSC-98-0073-FOF-EI in Docket No. 980001-EI, issued January 13, 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

- 10B. **ISSUE:** Should Florida Power & Light's Fuel Cost Recovery period be changed to the twelve calendar months in a year beginning January 1999?

FIPUG: No.

- 10C. **ISSUE:** Is it appropriate to establish Florida Power & Light's proposed fuel cost recovery factors for the period April through December 1998 to accomplish a transition to a recovery period of twelve calendar months?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Florida Public Utilities Company

- 11A. **ISSUE:** What are the appropriate levelized fuel cost recovery factors, excluding demand cost recovery, for the period April 1998 through September 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Gulf Power Company

12A. **ISSUE:** Has Gulf Power Company properly calculated the transmission revenue associated with economy, Schedule C, broker energy sales between itself and directly interconnected utilities as directed by Order No. PSC-98-0073-FOF-EI in Docket No. 980001-EI, issued January 13, 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Tampa Electric Company

13A. **ISSUE:** Has Tampa Electric Company properly calculated the transmission revenue associated with economy, Schedule C, broker energy sales between itself and directly interconnected utilities as directed by Order No. PSC-98-0073-FOF-EI in Docket No. 980001-EI, issued January 13, 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

13B. **ISSUE:** How should Tampa Electric continue the temporary base rate reduction pursuant to the stipulation approved by the Commission in Order No. PSC-96-1300-S-EI in Docket No. 960409-EI, issued October 24, 1996?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

13C. **ISSUE:** Did Tampa Electric properly calculate the true-up adjustment of the refund credit factor as agreed to in the stipulation approved in Order No. PSC-96-0670-S-EI, in Docket No. 950379-EI, issued May 20, 1996?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Generic Generating Performance Incentive Factor Issues

14. **ISSUE:** What is the appropriate GPIF reward or penalty for performance achieved during the period April 1997 through September 1997?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

15. **ISSUE:** What should the GPIF targets/ranges be for the period April 1998 through September 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Generic Capacity Cost Recovery Issues

16. **ISSUE:** What is the appropriate final capacity cost recovery true-up amount for the period April 1997 through September 1997?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

17. **ISSUE:** What is the estimated capacity cost recovery true-up amount for the period October 1997 through March 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

18. **ISSUE:** What is the total capacity cost recovery true-up amount to be collected during the period April 1998 through September 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

19. **ISSUE:** What is the appropriate projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period April 1998 through September 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

20. **ISSUE:** What are the projected capacity cost recovery factors for the period April 1998 through September 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Company-Specific Capacity Cost Recovery Issues

Florida Power & Light

21A. **ISSUE:** Should FPL's original projections for capacity payments to Osceola and Okeelanta Qualifying Facilities for the period June 1997 through September 1998 be excluded?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

21B. **ISSUE:** Should Florida Power & Light's request for a midcourse correction to its currently authorized Capacity Cost Recovery factors be approved?

FIPUG: Yes.

21C. **ISSUE:** What are the appropriate Capacity Cost Recovery Factors for each rate group?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

21D. **ISSUE:** Should Florida Power & Light's Capacity Cost Recovery period be changed to the twelve calendar months in a year beginning January 1999?

FIPUG: No.

21E. **ISSUE:** Is it appropriate to establish Florida Power & Light's proposed Capacity Cost Recovery Factors for the period April through December 1998 to accomplish a transition to a recovery period of twelve calendar months?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

F. **OTHER ISSUES:**

22. **ISSUE:** Should the Commission approve a change in the frequency of the fuel and purchased power cost recovery hearings from semi-annual hearings to annual hearings? If the change is approved, what 12-month period (fiscal or calendar) should be used and how should the change be implemented?

FIPUG: No.

G. **STIPULATED ISSUES:**

None at this time.

H. **PENDING MOTIONS:**

FIPUG has no pending motions.

I. OTHER MATTERS:

None.

Vicki Gordon Kaufman

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Attorneys for Florida Industrial
Power Users Group

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Florida Industrial Power Users Group's Prehearing Statement has been furnished by hand delivery(*) or by U.S. Mail to the following parties of record this 6th day of February, 1998:

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