Diamond Williams

From: Miller, Samuel T Capt USAF AFLOA JACL/ULFSC [samuel.miller@tyndall.af.mil] Sent: Monday, October 03, 2011 6:06 PM To: Filings@psc.state.fl.us Cc: White, Karen S Civ USAF AFLOA JACL/ULT Subject: **FEA Prehearing Statement** Signed By: There are problems with the signature. Click the signature button for details. Attachments: FEA Prehearing Statement (110007-EI).pdf a. Person responsible for this electronic filing: Capt Samuel T. Miller USAF Utility Law Field Support Center 139 Barnes Ave., Suite 1 Tyndall AFB, FL 32403 850-283-6663 Samuel.Miller@Tyndall.af.mil b. Docket 110007-EI In re: Environmental Cost Recovery Clause с. Document being filed on behalf of FEA d. There are 7 pages to FEA's Prehearing Statement The document attached for electronic filing is FEA's Prehearing e. Statement.

//Signed//

Samuel T. Miller, Capt, USAF

Staff Attorney

USAF Utility Litigation Field Support Center

DOCUMENT NUMBER-DATE 0 7 2 0 0 OCT -4 = FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental cost recovery clause.

DOCKET NO. 110007-EI

DATED: October 3, 2011

FEDERAL EXECUTIVE AGENCIES' (FEA) PREHEARING STATEMENT

Pursuant to Order No. PSC-11-0150-PCO-EI, FEA files its Prehearing Statement.

A. <u>APPEARANCES</u>:

Karen S. White Capt Samuel Miller USAF Utility Law Field Support Center 139 Barnes Drive Tyndall AFB, FL 32403 Attorneys for Federal Executive Agencies

B. WITNESSES AND EXHIBITS:

All witnesses listed by other parties in this proceeding. FEA reserves the right to prepare and offer exhibits for cross examination as appropriate.

C. STATEMENT OF BASIC POSITION:

FEA agrees with FIPUG that Progress Energy Florida should not be permitted to recover any environmental costs related to the purchase of replacement power due to the extended outage at Crystal River 3. Expenses related to this outage will be decided in Docket No. 100437-EI.

D. STATEMENT OF ISSUES AND POSITIONS:

GENERIC ISSUES

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period ending December 31, 2010?

POSITION: No position at this time.

ISSUE 2: What are the estimated environmental cost recovery true-up amounts for the period January 2011 through December 2011?

POSITION: No position at this time.

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ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2012 through December 2012?

POSITION: No position at this time.

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2012 through December 2012?

POSITION: No position at this time.

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2012 through December 2012?

POSITION: Agree with Staff.

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2012 through December 2012?

- **POSITION:** No position at this time.
- ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2012 through December 2012 for each rate group?
- **POSITION:** Agree with Staff.
- ISSUE 8: What should be the effective date of the new environmental cost recovery factors for billing purposes?
- **POSITION:** Agree with Staff.

COMPANY-SPECIFIC ISSUES

Florida Power & Light (FPL)

- ISSUE 9A: Should FPL be allowed to recover the costs associated with its proposed St. Lucie Cooling Water Monitoring Project?
- **POSITION:** No position at this time.
- ISSUE 9B: How should the costs associated with FPL's proposed St. Lucie Cooling Water Monitoring Project be allocated to the rate classes?
- **POSITION:** No position at this time.
- ISSUE 9C: Should FPL be allowed to recover the costs associated with its proposed Industrial Boiler MACT Project?

- **POSITION:** No position at this time.
- ISSUE 9D: How should the costs associated with FPL's proposed Industrial Boiler MACT Project be allocated to the rate classes?
- **POSITION:** No position at this time.
- ISSUE 9E: Should FPL be allowed to recover the costs associated with its proposed NPDES Permit Renewal Requirement Project?
- **POSITION:** No position at this time.
- ISSUE 9F: How should the costs associated with FPL's proposed NPDES Permit Renewal Requirement Project be allocated to the rate classes?
- **POSITION:** No position at this time.
- ISSUE 9G: Should FPL be allowed to include the costs associated with its 800 MW ESP Project in its 2012 ECRC factor?
- **POSITION:** No position at this time.
- ISSUE 9H: Should FPL be allowed to recover the costs associated with the additional activities required for the Manatee Temporary Heating System Project at Cap Canaveral Plant?
- **POSITION:** No position at this time.
- ISSUE 9I: Should the Commission approve FPL's updated Clean Air Interstate Rule CAIR), Clean Air Mercury Rule (CAMR) and Clean Air Visibility Rule (CAVR)/Best Available Retrofit Technology (BART) Projects that are reflected in FPL's April 1, 2011, supplemental filing as reasonable and prudent?

POSITION: No position at this time.

Progress Energy Florida (PEF)

ISSUE 10A: Should the Commission grant PEF's Petition for approval of ECRC cost recovery for the National Pollutant Discharge Elimination System (NPDES) Permit Renewal Requirement Project?

POSITION: No position at this time.

- ISSUE 10B: How should the costs associated with PEF's proposed NPDES Permit Renewal Requirement Project be allocated to the rate classes?
- **POSITION:** No position at this time.
- ISSUE 10C: Should the Commission grant PEF's Petition for approval of ECRC cost recovery for the Maximum Achievable Control Technology (MACT) Project?
- **POSITION:** No position at this time.
- ISSUE 10D: How should the costs associated with PEF's proposed MACT Project be allocated to the rate classes?
- **POSITION:** No position at this time.
- ISSUE 10E: Should the Commission approve PEF's proposed treatment of its CAIRrelated annual NOx allowances?
- **POSITION:** No position at this time.
- ISSUE 10F: Should the Commission approve PEF's updated Review of Integrated Clean Air Interstate Rule Compliance Plan that was submitted on April 1, 2011?
- **POSITION:** No position at this time.

Gulf Power Company (Gulf)

- ISSUE 11A: Should Gulf be allowed to recover the costs associated with its proposed Impoundment Integrity Inspection Project?
- **POSITION:** No position at this time.
- ISSUE 11B: How should the costs associated with Gulf's proposed Impoundment Integrity Inspection Project be allocated to the rate classes?
- **POSITION:** No position at this time.
- ISSUE 11C: Should Gulf be allowed to recover the costs associated with the Plant Crist Units 6 and 7 turbine upgrades?
- **POSITION:** No position at this time.
- ISSUE 11D: Should the Commission approve Gulf's proposed treatment of its CAIRrelated NOx allowances?

POSITION: No position at this time.

ISSUE 11E: Should the Commission approve Gulf's Environmental Compliance Program Update that was submitted on April 1, 2011?

POSITION: No position at this time.

Tampa Electric Company (TECO)

None

E. STIPULATED ISSUES:

None

F. <u>PENDING MOTIONS:</u>

None

G. <u>STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR</u> <u>CONFIDENTIALITY:</u>

None

H. OBJECTIONS TO QUALIFICATIONS OF WITNESSES AS AN EXPERT:

None at this time.

I. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which FEA can't comply at this time.

Respectfully submitted this 3rd day of October, 2011.

KAREN S. WHITE STAFF ATTORNEY UTILITY LAW FIELD SUPPORT CENTER 139 Barnes Drive Tyndall AFB, FL 32403

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of FEA'S PREHEARING STATEMENT has been filed with Office of Commission Clerk and one copy has been furnished to the following by electronic mail, on this 3rd day of October, 2011:

Florida Power & Light Company John T. Butler 700 Universe Boulevard Juno Beach, FL 33408-0420

Ausley & McMullen J. Jeffry Wahlen/James D. Beasley Post Office Box 391 Tallahassee, Florida 32302

Florida Industrial Power Users Group Vicki Gordon Kaufman/Jon C. Moyle, Jr. c/o Keefe Law Firm, The Perkins House 118 North Gadsden Street Tallahassee, Florida 32301-3828

Keefe Anchors Gordon & Moyle, P.A. Vicki Gordon Kaufman/Jon C. Moyle, Jr. 118 North Gadsden Street Tallahassee, Florida 32301

Tampa Electric Company Ms. Paula K. Brown, Regulatory Affairs Post Office Box 111 Tampa, Florida 33601-0111 Florida Power & Light Company Kenneth Hoffman 215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1858

Beggs & Lane Law Firm Jeffrey A. Stone/Russell A. Badders/ Steven R.Griffin Post Office Box 12950 Pensacola, Florida 32591-2950

Progress Energy Florida, Inc. Mr. Paul Lewis, Jr. 106 East College Avenue, Suite 800 Tallahassee, Florida 32301-7740

Office of Public Counsel J. R. Kelly/Patricia Christensen/ Charles Rehwinkel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, Florida 32399-1400

Progress Energy Service Company, LLC John T. Burnett/Dianne M. Triplett Post Office Box 14042 St. Petersburg, Florida 33733-4042

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Gulf Power Company Ms. Susan D. Ritenour One Energy Place Pensacola, FL 32520-0780

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