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Attachments: FIPUG Prehearing Statement 10.10.11.pdf; FIPUG Prehearing Statement 10.10.11.doc

In accordance with the electronic filing procedures of the Florida Public Service Commission, the following filing is made:

a. The name, address, telephone number and email for the person responsible for the filing is:

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b. This filing is made in Docket No. 110001-EI.

c. The document is filed on behalf of FLORIDA INDUSTRIAL POWER USERS GROUP.

d. The total pages in the document are 9 pages.

e. The attached document is THE FLORIDA INDUSTRIAL POWER USERS GROUP'S PREHEARING STATEMENT.

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RECORDED NUMBER 0A7
07406 OCT 10 =
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Fuel and purchased power cost recovery
Clause with generating performance
Incentive factor.

Docket No. 110001-EI

Filed: October 10, 2011

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

The Florida Industrial Power Users Group (FIPUG), pursuant to Order No. PSC-11-0132-PCO-EI files its Prehearing Statement.

A. APPEARANCES:

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B. WITNESSES AND EXHIBITS:

All witnesses and exhibits listed by other parties in this proceeding, as well as cross-examination exhibits, as necessary.

C. STATEMENT OF BASIC POSITION:

PEF should not be permitted to collect any replacement power expenses related to the prolonged outage at CR3. When the Commission permitted the recovery of such costs last year, it was expected that CR3 would be back on line by this time. Now PEF predicts the unit, at the earliest, will come on line at the end of 2014. Ratepayers should not be on the hook for millions of dollars when the Commission has not yet decided if PEF's actions regarding CR3 were prudent. That determination will be made in Docket No. 100437-EI. No money should be collected from ratepayers related to CR3 until that docket is concluded.

DOCUMENT NUMBER DATE

07406 OCT 10 =

FPSC-COMMISSION CLERK

D. STATEMENT OF ISSUES AND POSITIONS:

I. FUEL ISSUES

COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

Progress Energy Florida, Inc.

ISSUE 1A: Should the Commission approve as prudent, PEF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in PEF's April 2011 and August 2011 hedging reports?

FIPUG: No position at this time.

ISSUE 1B: Should the Commission approve PEF's 2012 Risk Management Plan?

FIPUG: No position at this time.

ISSUE 1C: Should PEF be permitted to recover the costs of replacement power due to the extended outage at Crystal River 3 in this docket?

FIPUG: No. PEF should not be permitted to recover any costs of replacement power due to the CR3 outage pending resolution of the issues in Docket No. 100437-EI.

Florida Power & Light Company

ISSUE 2A: Should the Commission approve as prudent, FPL's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in FPL's April 2011 and August 2011 hedging reports?

FIPUG: No position at this time.

ISSUE 2B: Should the Commission approve FPL's 2012 Risk Management Plan?

FIPUG: No position at this time.

ISSUE 2C: What are the appropriate projected jurisdictional fuel savings associated with West County Energy Center Unit 3 (WCEC-3) for the period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 2D: Should the Commission approve FPL's Time of Use Rates for the period January 2012 through December 2012 that are calculated based on seasonally differentiated marginal fuel costs?

FIPUG: No position at this time.

Florida Public Utilities Company

ISSUE 3A: Is it appropriate for FPUC to include unbilled fuel revenues in its fuel factor calculations for the Northwest and Northeast Divisions?

FIPUG: No position at this time.

ISSUE 3B: Is FPUC's proposed method to allocate demand costs to the rate classes appropriate?

FIPUG: No position at this time.

Gulf Power Company

ISSUE 4A: Should the Commission approve as prudent, GULF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in GULF's April 2011 and August 2011 hedging reports?

FIPUG: No position at this time.

ISSUE 4B: Should the Commission approve Gulf's 2012 Risk Management Plan?

FIPUG: No position at this time.

ISSUE 4C: Was Gulf Power Company prudent in commencing and continuing litigation against Coalsales II, LLC for breach of contract?

FIPUG: No position at this time.

Tampa Electric Company

ISSUE 5A: Should the Commission approve as prudent, TECO's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in TECO's April 2011 and August 2011 hedging reports?

FIPUG: No position at this time.

ISSUE 5B: Should the Commission approve TECO's 2012 Risk Management Plan?

FIPUG: No position at this time.

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 6: What are the appropriate actual benchmark levels for calendar year 2011 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FIPUG: No position at this time.

ISSUE 7: What are the appropriate estimated benchmark levels for calendar year 2012 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FIPUG: No position at this time.

ISSUE 8: What are the appropriate fuel adjustment true-up amounts for the period January 2010 through December 2010?

FIPUG: No position at this time.

ISSUE 9: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2011 through December 2011?

FIPUG: No position at this time.

ISSUE 10: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2012 to December 2012?

FIPUG: No position at this time.

ISSUE 11: What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2012 through December 2012?

FIPUG: No position at this time.

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

Tampa Electric Company

ISSUE 15A: Should Tampa Electric's GPIF targets and ranges for 2011 be re-established, based on the corrected revised testimony and exhibit of Tampa Electric's witness Brain Buckley filed in this docket on April 11, 2011?

FIPUG: No position at this time.

GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

ISSUE 16: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2010 through December 2010 for each investor-owned electric utility subject to the GPIF?

FIPUG: No position at this time.

ISSUE 17: What should the GPIF targets/ranges be for the period January 2012 through December 2012 for each investor-owned electric utility subject to the GPIF?

FIPUG: No position at this time.

FUEL FACTOR CALCULATION ISSUES

ISSUE 18: What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 19: What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 20: What are the appropriate levelized fuel cost recovery factors for the period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 21: 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: No position at this time.

ISSUE 22: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

FIPUG: No position at this time.

II. CAPACITY ISSUES

COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

Progress Energy Florida, Inc.

ISSUE 23A: Has PEF included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 110009-EI?

FIPUG: No position at this time.

Florida Power & Light Company

ISSUE 24A: Has FPL included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 110009-EI?

FIPUG: No position at this time.

ISSUE 24B: What are the appropriate projected jurisdictional non-fuel revenue requirements associated with WCEC-3 for the period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 24C: What amount should be included in the capacity cost recovery clause for recovery of jurisdictional non-fuel revenue requirements associated with West County Energy Center Unit 3 (WCEC-3) for the period January 2012 through December 2012?

FIPUG: No position at this time.

Tampa Electric Company

ISSUE 26A: Should the Commission approve Tampa Electric Company's proposal to charge incremental cybersecurity costs to the capacity cost recovery clause?

FIPUG: No position at this time.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 27: What are the appropriate capacity cost recovery true-up amounts for the period January 2010 through December 2010?

FIPUG: No position at this time.

ISSUE 28: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2011 through December 2011?

FIPUG: No position at this time.

ISSUE 29: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 30: What are the appropriate projected total capacity cost recovery amounts for the period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 31: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 32: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2012 through December 2012?

FIPUG: No position at this time.

ISSUE 33: What are the appropriate capacity cost recovery factors for the period January 2012 through December 2012?

FIPUG: No position at this time.

III. EFFECTIVE DATE

ISSUE 34: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

FIPUG: No position at this time.

s/ Vicki Gordon Kaufman

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of The Florida Industrial Power

Users Group's Prehearing Statement has been furnished by Electronic Mail and United States

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