

ORIGINAL
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Environmental Cost Recovery Clause.) DOCKET NO. 970007-EI
)
) JANUARY 27, 1997

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-97-0043-PCO-EI the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

None.

b. All Known Exhibits

None.

c. Staff's Statement of Basic Position

Staff takes no basic statement of position pending the evidence developed at hearing.

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

ACK _____ d. Staff's Position on the Issues

AFA _____

APP _____

Generic Environmental Cost Recovery Issues

CAF _____

CMU _____ **ISSUE 1:** What are the appropriate final environmental cost recovery true-up amounts for the period ending September 30, 1996?

CTR _____

EAG _____ **STAFF:** TECO: \$1,193,181 underrecovery

LEG _____

LIN 3 _____

OPC _____

RCH _____

SEC 1 _____

WAS _____

OTR _____

DOCUMENT NUMBER DATE

01037 JAN 27 5

FPSC-RECORDS/REPORTING

STAFF'S PREHEARING STATEMENT
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ISSUE 2: What are the estimated environmental cost recovery true-up amounts for the period October 1996 through March 1997?

STAFF: TECO: No position at this time pending resolution of company-specific issues.

ISSUE 3: What are the total environmental cost recovery true-up amounts to be collected during the period April 1997 through September 1997?

STAFF: TECO: No position at this time pending resolution of company-specific issues.

ISSUE 4: What are the appropriate projected environmental cost recovery amounts for the period April 1997 through September 1997?

STAFF: TECO: No position at this time pending resolution of company-specific issues.

ISSUE 5: What should be the effective date of the new environmental cost recovery factors for billing purposes?

STAFF: The factor should be effective beginning with the specified environmental cost recovery cycle and thereafter for the period April 1997 through September 1997. Billing cycles may start before April 1, 1997, and the last cycle may be read after September 30, 1997, so that each customer is billed for six months regardless of when the adjustment factor became effective.

ISSUE 6: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery true-up amounts to be collected during the period April 1997 through September 1997?

STAFF: The depreciation rates used to calculate the depreciation expense should be the rates that are in effect during the period the allowed capital investment is in service.

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ISSUE 7: How should the newly proposed environmental costs be allocated to the rate classes?

STAFF: TECO: The costs of the SO₂ Allowances should be allocated on an energy basis.

The costs of the Gannon Station Coalfield Diesel Tank Upgrade should be allocated on a demand basis.

The costs of the Gannon Station Ignition Oil Tank Upgrade should be allocated on a demand basis.

ISSUE 8: What are the appropriate Environmental Cost Recovery Factors for the period April 1997 through September 1997 for each rate group?

STAFF: TECO: No position at this time pending resolution of company-specific issues.

Company - Specific Environmental Cost Recovery Issues

Tampa Electric Company

ISSUE 9A: Should the Commission approve Tampa Electric Company's request for recovery of costs of the Gannon Station Coalfield Diesel Tank Upgrade through the Environmental Cost Recovery Clause?

POSITION: No position at this time.

ISSUE 9B: Should the Commission approve Tampa Electric Company's request to recover the cost of the Gannon Station Ignition Oil Tank Upgrade through the Environmental Cost Recovery Clause?

POSITION: No position at this time.

e. **Pending Motions**

None.

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f. Compliance with Order No. PSC-97-0043-PCO-EI.

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 27th day of January, 1997.



VICKI D. JOHNSON
Staff Counsel

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Environmental Cost) DOCKET NO. 960007-EI
Recovery Clause.)
_____) FILED: JANUARY 27, 1997

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of Staff's Prehearing Statement has been furnished by U.S. Mail to this 27th day of January, 1997, to the following:

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