



Gulf Power®

October 8, 2019

Mr. Adam Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Docket No. 20190002-EG

Dear Mr. Teitzman:

Attached is the Prehearing Statement of Gulf Power Company to be filed in the above-referenced docket. Pursuant to the Order Establishing Procedure, a copy of this Prehearing Statement prepared using Microsoft Word is being provided to Commission staff and all parties.

Sincerely,

C. Shane Boyett
Regulatory, Forecasting and Pricing Manager

md

Attachments

cc: Gulf Power Company
Russell Badders, Esq., VP & Associate General Counsel
Beggs & Lane

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery)
Clause)
)

Docket No. 20190002-EG
Date Filed: October 8, 2019

PREHEARING STATEMENT OF GULF POWER COMPANY

Gulf Power Company, (“Gulf Power”, “Gulf”, or “the Company”), by and through its undersigned attorneys, and pursuant to Order No. PSC-2019-0082-PCO-EG, issued February 26, 2019, establishing the prehearing procedure in this docket, files this prehearing statement, saying:

A. APPEARANCES

RUSSELL A. BADDERS, Esquire
Vice President & Associate General Counsel
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0100

STEVEN R. GRIFFIN, Esquire
Beggs & Lane, R.L.L.P.
P.O. Box 12950
Pensacola, FL 32591-2950
On behalf of Gulf Power Company.

B. WITNESSES

All witnesses known at this time, who may be called by Gulf Power Company, along with the subject matter and issue numbers which will be covered by the witness' testimony, are as follows:

<u>Witness Direct</u>	<u>Subject Matter</u>	<u>Issues #</u>
John N. Floyd ¹	True-up; components of Gulf's conservation plan and associated costs; projections and program results	1, 2, 3, 4, 5, 6, 7

C. EXHIBITS

<u>Witness Direct</u>	<u>Proffered by</u>	<u>Exhibit #</u>	<u>Description</u>	<u>Issues #</u>
Floyd ¹	Gulf Power Company	JNF-1	Schedules CT-1 through CT-6	1
Floyd	Gulf Power Company	JNF-2	Schedules C-1 through C-6	2, 3, 4, 5

D. STATEMENT OF BASIC POSITION

Gulf Power Company's Statement of Basic Position:

It is the basic position of Gulf Power Company that the proposed ECCR factors present the best estimate of Gulf's Conservation expense at this time for the period January 2020 through

¹ On June 20, 2019, Gulf Power filed an errata sheet to the May 1, 2019, testimony and exhibits of John N. Floyd. The modifications contained in the errata sheet address revised interest calculations and participation figures for some of the Company's Demand Side Management programs. On September 16, 2019, the Company filed an amended Schedule CT-6 to Exhibit JNF-1 of the May 1, 2019, testimony of John N. Floyd. The amended schedule is intended to replace Schedule CT-6 of Mr. Floyd's original testimony. The corrections contained in the amended schedule do not impact the actual expenditures contained in Mr. Floyd's Schedule CT-3 or the final true-up amount reflected in Schedule CT-1, as amended by the June 20, 2019 errata sheet. Nor do they impact the 2020 cost-recovery factors proposed by the Company in this docket.

December 2020, including the true-up calculations and other adjustments allowed by the Commission.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Energy Conservation Cost Recovery Issues

ISSUE 1: What are the final conservation cost recovery adjustment true-up amounts for the period January 2018 through December 2018?

GULF: \$390,862 over-recovery. (Floyd)

ISSUE 2: What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2019 through December 2019?

GULF: \$4,154,533 over-recovery. (Floyd)

ISSUE 3: What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2020 through December 2020?

GULF: \$4,545,395 over-recovery. (Floyd)

ISSUE 4: What are the total conservation cost recovery amounts to be collected during the period January 2020 through December 2020?

GULF: \$6,249,300 (including prior true-up amounts and revenue taxes). (Floyd)

ISSUE 5: What are the conservation cost recovery factors for the period January 2020 through December 2020?

GULF: The Company's proposed conservation cost recovery factors by customer class for the period January 2020 through December 2020 are as follows: (Floyd)

RATE CLASS	CONSERVATION COST RECOVERY FACTORS ¢/kWh
RS	0.06
RSVP Tier 1	(2.800)
RSVP Tier 2	(0.840)
RSVP Tier 3	6.735
RSVP Tier 4	50.918
RSTOU On-peak	14.000
RSTOU Off-peak	(2.686)
RSTOU Critical Peak Credit	\$5.00 per event
GS	0.06
GSD, GSDT, GSTOU	0.056
LP, LPT	0.053
LPT-CPO On-Peak	(\$4.89) per kW
LPT-CPO Critical	\$58.68 per kW
PX, PXT, RTP, SBS	0.052
OSI, OSII	0.041
OSIII	0.052
CL Credit	\$5.57 per kW

ISSUE 6: What should be the effective date of the new conservation cost recovery factors for billing purposes?

GULF: The new conservation cost recovery factors should be effective beginning with the first billing cycle for January 2020 and thereafter through the last billing cycle for December 2020. The first billing cycle may start before January 1, 2020, and the last cycle may be read after December 31, 2020, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Floyd)

ISSUE 7: Should the Commission approve revised tariffs reflecting the energy conservation cost recovery amounts and energy conservation cost recovery factors determined to be appropriate in this proceeding?

GULF: Yes. The Commission should approve revised tariffs reflecting the energy conservation cost recovery amounts and energy conservation cost recovery factors determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. (Floyd)

ISSUE 11: Should the Joint Motion to Modify Order No. PSC-2012-0425-PAA-EU Regarding Weighted Average Cost of Capital Methodology be approved?

GULF: Yes.

ISSUE 12: Should this docket be closed?

GULF: No. This is a continuing docket and should remain open.

F. STIPULATED ISSUES

GULF: Yet to be determined.

G. PENDING MOTIONS

GULF: None at this time.

H. PENDING CONFIDENTIALITY REQUEST

GULF: None at this time.

I. OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT

GULF: None at this time.

J. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

GULF: To the best knowledge of counsel, Gulf has complied, or is able to comply, with all requirements set forth in the orders on procedure and/or the Commission rules governing this prehearing statement. If other issues are raised for determination at the hearings set for November 5-7, 2019, Gulf respectfully requests an opportunity to submit additional statements of position and, if necessary, file additional testimony.

Dated this 8th day of October, 2019.

Respectfully submitted,



RUSSELL A. BADDERS

Vice President & Associate General Counsel

Florida Bar No. 007455

Russell.Badders@nexteraenergy.com

Gulf Power Company

One Energy Place

Pensacola, FL 32520-0100

(850) 444-6550

STEVEN R. GRIFFIN

Florida Bar No. 0627569

srg@beggslane.com

Beggs & Lane, R.L.L.P.

P.O. Box 12950

Pensacola, FL 32591-2950

(850) 432-2451

Attorneys for Gulf Power

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Energy Conservation Cost)
Recovery Clause)

Docket No.: 20190002-EG

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 8th day of October, 2019 to the following:

Ausley Law Firm
James D. Beasley
J. Jeffry Wahlen
Malcolm N. Means
Post Office Box 391
Tallahassee, FL 32302
jbeasley@ausley.com
jwahlen@ausley.com
mmeans@ausley.com

PCS Phosphate – White Springs
c/o Stone Mattheis Xenopoulos
& Brew, P.C.
James W. Brew/Laura A. Wynn
Eighth Floor, West Tower
1025 Thomas Jefferson St, NW
Washington, DC 20007
jbrew@smxblaw.com
law@smxblaw.com

Florida Industrial Power Users Group
c/o Moyle Law Firm
Jon C. Moyle, Jr.
118 North Gadsden Street
Tallahassee, FL 32301
jmoyle@moylelaw.com

Florida Power & Light Company
Maria J. Moncada
700 Universe Boulevard (LAW/JB)
Juno Beach, FL 33408-0420
maria.moncada@fpl.com

Florida Power & Light Company
Kenneth Hoffman
134 West Jefferson Street
Tallahassee, FL 32301
Ken.Hoffman@fpl.com

Florida Public Utilities Company
Florida Division of Chesapeake
Utilities Corp
Mike Cassel, Director
Regulatory and Governmental Affairs
1750 SW 14th Street, Suite 200
Fernandina Beach, FL 32034
mcassel@fpuc.com

Gunster Law Firm
Beth Keating
215 South Monroe Street, Suite 601
Tallahassee, FL 32301-1839
bkeating@gunster.com

Office of the General Counsel
Margo DuVal
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850
MDuval@psc.state.fl.us

Tampa Electric Company
Ms. Paula K. Brown, Manager
Regulatory Coordination
P. O. Box 111
Tampa, FL 33601-0111
Regdept@tecoenergy.com

Duke Energy Florida
Dianne M. Triplett
299 First Avenue North
St. Petersburg, FL 33701
Dianne.triplett@duke-energy.com

Office of Public Counsel
J. Kelly/C. Rehwinkel
P. Christensen
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400
Kelly.jr@leg.state.fl.us
Christensen.patty@leg.state.fl.us

Duke Energy Florida, Inc.
Matthew R. Bernier
106 East College Avenue,
Suite 800
Tallahassee, FL 32301-7740
Matthew.bernier@duke-energy.com
FLRegulatoryLegal@duke-energy.com



RUSSELL A. BADDERS
VP & Associate General Counsel
Florida Bar No. 007455
Russell.Badders@nexteraenergy.com
Gulf Power Company
One Energy Place
Pensacola FL 32520-0100
(850) 444-6550

STEVEN R. GRIFFIN
Florida Bar No. 0627569
srg@beggslane.com
Beggs & Lane
P. O. Box 12950
Pensacola FL 32591-2950
(850) 432-2451
Attorneys for Gulf Power