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Gull Power Company 500 Baytront Parkway Post Office Box 1151 Pensacola: FL 32520 0783 Telephone 904 444 6664

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Linda G. Malone Assistant Secretary and Assistant Treasurer

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January 24, 1997

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE. Docket No. 970002-EG

Enclosed are an original and fifteen copies of Gulf Power Company's Prehearing Statement to be filed in the above docket.

Also enclosed is a 3.5 inch double sided, high density diskette containing the Statement in WordPerfect for Windows 6.1 format as prepared on a MS-DOS based computer.

ACKSinc	erely,	
APP	nda G. Malena	
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	osures	
LIN <u>3</u> cc: OPC	Beggs and Lane Jeffrey A. Stone, Esquire Gulf Power Company	
RCH	Susan D. Cranmer	DOCUMENTAL
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE Conservation Cost Recovery Clause

Docket No 970002-EG Filed January 24, 1997

PREHEARING STATEMENT OF GULF POWER COMPANY

Gulf Power Company, ("Gulf Power", "Gulf", or "the "Company"), by and through its

undersigned attorneys, and pursuant to Commission Order No PSC-97-0044-PCO-EG issued

January 9, 1997 and Rule 25-22.038(3), Florida Administrative Code, files this prehearing statement,

saying:

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A. APPEARANCES:

JEFFREY A. STONE, Esquire, and RUSSELL A. BADDERS, Esquire, of Beggs & Lane, 700 Blount Building, 3 West Garden Street, P.O. Box 12950, Pensacola, FL 32576-2950 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 his testimony, are as follows

Witness (Direct)		Subject Matter	Issues
I	Margaret D. Neyman	Components of Gulf's Conservation Plan and associated costs, projections and program results	1, 2, 3

C. EXHIBITS:

Exhibit Number	Witness	Description
	Neyman	Schedules CT-1 through CT-6
(MDN-1)		
	Neyman	Schedules C-1 through C-5
(MDN-2)	3	

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 factor presents the best estimate of Gulf's Conservation expense for the period April 1997 through March 1998, 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 is the appropriate adjusted net true-up amount for the period October, 1995 through September, 1996?
- GULF: Over recovery of \$290,415. (Neyman)
- **ISSUE 2:** What is the appropriate projected end-of-period total net true-up amount for the period October, 1996 through March, 1997?
- GULF: Over recovery of \$335,549. (Neyman)

- **ISSUE 3:** What are the appropriate conservation cost recovery factors by customer class for the period April, 1997 through March, 1998?
- GULF: The Company's proposed conservation cost recovery factors by customer class for the period April 1997 through March 1998 are as follows

RATE CLASS*	CONSERVATION COST RECOVERY FACTORS ¢/KWH
RS, RST	0.035
GS, GST	0.034
GSD, GSDT	0.034
LP, LPT	0.033
PX, PXT, RTP	0.032
OSI, OSII	0.033
OSIII	0.034
OSIV	0.035
SBS	0.032

(Neyman)

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Company-Specific Conservation Cost Recovery Issues

NO COMPANY-SPECIFIC ISSUES WITH REGARD TO GULF POWER COMPANY HAVE BEEN RAISED IN THE PRELIMINARY LIST OF ISSUES AND POSITIONS SUBMITTED BY ANY PARTY AND RECEIVED BY GULF POWER COMPANY PRIOR TO THE FILING OF THIS PREHEARING STATEMENT.

F. STIPULATED ISSUES

<u>GULF</u>: Yet to be determined. Gulf is willing to stipulate that the testimony of all witnesses whom no one wishes to cross examine be inserted into the record as though read, cross examination be waived, and the witness's attendance at the hearing be excused.

G. PENDING MOTIONS:

GULF: None.

H. OTHER MATTERS:

<u>GULF:</u> If other issues are raised for determination at the hearings set for February 19-21, 1997, Gulf respectfully requests an opportunity to submit additional statements of position and, if necessary, file additional testimony

Dated this 24th day of January 1997

Respectfully submitted,

Bally

JEFFREY A. STONE Florida Bar No. 325953 RUSSELL A. BADDERS Florida Bar No. 7455 Beggs & Lane P. O. Box 12950 (700 Blount Building) Pensacola, FL 32576-2950 (904) 432-2451 Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery

Docket No. 970002-EG

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U.S. Mail this 240 day of January 1997 to the following:

Norman Horton, Jr., Esquire Messer, Vickers, Caparello, French and Madsen P. O. Box 1876 Tallahassee FL 32302

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Stuart L. Shoaf St. Joe Natural Gas Company P. O. Box 549 Port St. Joe FL 32456

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Ms. Colatte M. Powers Indiantown Gas Company P. O. Box 8 Indiantown FL 34956-0008 Sebring Gas System, Inc. 3515 Highway 27 South Sebring FL 33870-5452

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Mr. J. Peter Martin South FL Natural Gas Co. 101 NW 202 Terrace P. O. Box 69000-J Miami FL 33269-0078

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