

## JACK SHREVE

# STATE OF FLORIDA OFFICE OF THE PUBLIC COUNSEL

ORIGINAL

c/o The Florida Legislature 111 West Madison St. Room 812 Tallahassee, Florida 32399-1400 850-488-9330

October 26, 2000

RECEIVED FRSC

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

RE: Docket No. 000001-EI

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of the Prehearing Statement of the Office of Public Counsel in the above-referenced docket.

Also enclosed is a 3.5 inch diskette containing the Prehearing Statement of the Office of Public Counsel in WordPerfect for Windows 6.1. Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

Sincerely,

Stephen C. Burgess
Deputy Public Counsel

SCB/dsb Enclosures

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#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power	)	
Cost Recovery Clause with	)	DOCKET NO. 000001-EI
Generating Performance Incentive	)	FILED: October 26, 2000
Factor	)	
	)	

#### PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through their attorney, the Public Counsel, hereby file this Prehearing Statement to identify all of the issues of which the Citizens are aware.

#### **APPEARANCES**:

STEPHEN C. BURGESS, ESQUIRE
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida

#### A. WITNESSES:

None.

#### B. EXHIBITS:

None at this time. However, exhibits may be introduced as necessary during examination of witnesses..

#### C. STATEMENT OF BASIC POSITION

No position at this time.

#### D. STATEMENT OF FACTUAL ISSUES AND POSITIONS

#### Generic Fuel Adjustment Issues

<u>ISSUE 1</u>: What is the appropriate final fuel adjustment true-up amount for the period January, 1999 through December, 1999?

**OPC**: No position pending the evidence adduced at hearing.

<u>ISSUE 2</u>: What are the appropriate estimated fuel adjustment true-up amounts for the period January, 2000 through December, 2000?

**OPC**: No position pending evidence adduced at hearing.

ISSUE 3: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January, 2001 to December, 2001?

**OPC**: No position pending evidence adduced at hearing.

<u>ISSUE 4</u>: What are the appropriate levelized fuel cost recovery factors for the period January, 2001 to December, 2001?

**OPC**: No position pending evidence adduced at hearing.

<u>ISSUE 5</u>: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

**OPC**: No position at this time.

<u>ISSUE 6</u>: 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?

OPC: No position.

<u>ISSUE 7</u>: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

**OPC**: No position pending evidence adduced at hearing.

<u>ISSUE 8</u>: What is the appropriate revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of January, 2001 to December, 2001?

OPC: No position at this time.

ISSUE 9: How should the Commission's decision as set forth by Order No. PSC-00-17744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, concerning the application of incentives to wholesale energy sales, be implemented?

OPC: Any incentive mechanism which creates the potential for a protected monopoly to generate additional earnings above the established ROE should also create the symmetrical potential that the monopoly could suffer an earnings reduction, in the event of subpar performance.

ISSUE 10: What is the appropriate estimated benchmark level for calendar year 2001 for gains on non-separated wholesale energy sales eligible for a shareholder incentive as set forth by Order No. PSC-00-1744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, for each investor-owned electric utility?

**OPC**: No position at this time.

#### Company-Specific Fuel Adjustment Issues

#### Florida Power & Light Company

ISSUE 11A: Should the Commission allow Florida Power & Light to collect its estimated/actual true-up underrecovery for calendar year 2000 over a two-year period, commencing in 2001?

OPC: Yes, or a longer period.

ISSUE 11B: What is the appropriate regulatory treatment of the remainder of the estimated/actual true-up underrecovery that would be included for recovery in the fuel cost recovery factor for calendar year 2002?

**OPC**: No position at this time.

ISSUE 11C: What is the appropriate regulatory treatment for the \$222.5 million payment to settle litigation between FPL and Okeelanta Cogen and Osceola Cogen as approved by the Commission in Order No. PSC-00-xxx-PAA-EI, in Docket No. 000982-EI, issued October xx, 2000?

OPC: No position at this time.

#### Florida Power Corporation

ISSUE 12A: Has Florida Power Corporation confirmed the validity of the methodology used to determine the equity component of Electric Fuels Corporation's capital structure for calendar year 1998?

**OPC**: No position at this time.

ISSUE 12B: Has Florida Power Corporation properly calculated the market price true-up for coal purchases from Powell Mountain?

**OPC**: No position at this time.

ISSUE 12C: Has Florida Power Corporation properly calculated the 1998 price for waterborne transportation services provided by Electric Fuels Corporation?

OPC: No position at this time.

ISSUE 12D: Should the Commission allow Florida Power Corporation to collect its estimated/actual true-up underrecovery for calendar year 2000 over a two-year period, commencing in 2001?

OPC: No position at this time.

ISSUE 12E: What is the appropriate regulatory treatment of the remainder of the estimated/actual true-up underrecovery that would be included for recovery in the fuel cost recovery factor for calendar year 2002?

OPC: No position at this time.

ISSUE 12F: Should the Commission approve Florida Power Corporation's proposed regulatory treatment for its wholesale power supply agreements with Seminole Electric Cooperative?

**OPC**: No position at this time.

#### **Tampa Electric Company**

ISSUE 13A: What is the appropriate 1999 benchmark price for coal Tampa Electric Company purchased from its affiliate, Gatliff Coal Company?

OPC: No position at this time.

ISSUE 13B: Has Tampa Electric Company adequately justified any costs associated with the purchase of coal from Gatliff Coal Company that exceed the 1999 benchmark price?

**OPC**: No position at this time.

ISSUE 13C: What is the appropriate 1999 waterborne coal transportation benchmark price for transportation services provided by affiliates of Tampa Electric Company?

OPC: No position at this time.

ISSUE 13D: Has Tampa Electric Company adequately justified any costs associated with transportation services provided by affiliates of Tampa Electric Company that exceed the 1999 waterborne transportation benchmark price?

OPC: No position at this time.

ISSUE 13E: Should the Commission approve Tampa Electric's request to implement an experimental pilot program that offers optional seasonally-differentiated fuel factors for customers on interruptible rate schedules?

OPC: No position at this time.

ISSUE 13F: If the Commission approves Tampa Electric's request to implement an experimental pilot program in Issue 13E, what is the appropriate regulatory treatment of any revenue differential that may occur during the pilot program?

OPC: No position at this time.

#### **Generic Generating Performance Incentive Factor Issues**

What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January, 1999 through December, 1999 for each investor-owned electric utility subject to the GPIF?

**OPC**: No position at this time.

ISSUE 15: What should the GPIF targets/ranges be for the period January, 2002 through December, 2002 for each investor-owned electric utility subject to the GPIF?

**OPC**: No position at this time.

### **Generic Capacity Cost Recovery Factor Issues**

ISSUE 16: What are the appropriate final capacity cost recovery true-up amounts for the period January, 1999 through December, 1999?

OPC: No position at this time.

ISSUE 17: What are the appropriate estimated capacity cost recovery true-up amounts for the period January, 2000 through December, 2000?

**OPC**: No position at this time.

ISSUE 18: What are the appropriate total capacity cost recovery true-up amounts to be

collected/refunded during the period January, 2001 through December, 2001?

OPC: No position at this time.

ISSUE 19: What are the appropriate projected net purchased power capacity cost recovery

amounts to be included in the recovery factor for the period January, 2001 through

December, 2001?

**OPC**: No position at this time.

ISSUE 20: What are the appropriate jurisdictional separation factors for capacity revenues and

costs to be included in the recovery factor for the period January, 2001 through

December, 2001?

**OPC**: No position at this time.

ISSUE 21: What are the projected capacity cost recovery factors for the period January, 2001

through December, 2001?

**OPC**: No position at this time.

E. STATEMENT OF LEGAL ISSUES AND POSITIONS: None at this time.

F. STATEMENT OF POLICY ISSUES AND POSITIONS: None at this time.

G. STIPULATED ISSUES: None.

H. PENDING MOTIONS: None.

#### I. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Respectfully submitted,

Jack Shreve Public Counsel

Stephen C. Burgess
Deputy Public Counsel

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Attorneys for the Citizens of the State of Florida

#### CERTIFICATE OF SERVICE DOCKET NO. 000001-EI

I HEREBY certify that a copy of the foregoing PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL has been served by \*hand delivery or U.S. Mail to the following parties of record on this 26th day of October, 2000.

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