

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition by Progress Energy Florida, Inc. to recover costs of Crystal River Unit 3 uprate through fuel clause.

DOCKET NO. 070052-EI

FILED: JULY 9, 2007

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STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-07-0390-PCO-EI, filed May 2, 2007 (Order Establishing Procedure) and Order No. PSC-07-0446-PCO-EI, filed May 23, 2007 (First Order Revising Order Establishing Procedure), the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff is not sponsoring any witnesses.

b. All Known Exhibits

Staff has no direct exhibits. Staff reserves the right to identify exhibits for proposed stipulation prior to hearing for purposes of cross-examination at the hearing.

c. Staff's Statement of Basic Position

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.

d. Staff's Position on the Issues

ISSUE 1: Should the Commission authorize clause recovery of the prudent and reasonable costs of the following:

A. Phase 1 of PEF's CR3 Uprate Project?

POSITION: No position at this time.

B. Phase 2 of PEF's CR3 Uprate Project?

POSITION: No position at this time.

C. Phase 3 of PEF's CR3 Uprate Project, including:

CMP _____
COM 5 _____
CTR _____
ECR _____
GCL _____
OPC _____
RCA _____
SCR _____
SGA _____
SEC _____
OTH _____

DOCUMENT NUMBER-DATE

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1. Nuclear Core Modifications, Secondary Systems, and Other Project-related Plant Additions/Modifications?

POSITION: No position at this time.

2. The “point of discharge” cooling solution?

POSITION: No position at this time.

3. Transmission upgrades associated with the CR3 Uprate Project?

POSITION: No position at this time.

4. Other costs associated with phase 3 of the CR3 Uprate Project?

POSITION: No position at this time.

ISSUE 2: If the Commission authorizes clause recovery of the CR3 Uprate Project, which cost recovery clause, fuel or capacity, is appropriate for capitalized costs attributable to the uprate?

POSITION: No position at this time.

ISSUE 3: If the Commission authorizes clause recovery of the CR3 Uprate Project, what capital recovery periods should the Commission prescribe for the assets?

POSITION: No position at this time.

ISSUE 4: Based on the recovery periods prescribed for the CR3 Uprate Project assets, what ratemaking adjustments, if any, are necessary?

POSITION: No position at this time.

ISSUE 5: If the Commission authorizes PEF clause recovery of the CR3 Uprate Project, what return on investment should the Commission authorize PEF to include?

POSITION: No position at this time.

ISSUE 6: If the Commission authorizes clause recovery of the CR3 Uprate Project, how should the costs associated with the project be allocated between wholesale and retail jurisdictions for rate recovery purposes?

POSITION: No position at this time.

ISSUE 7: If the Commission authorizes clause recovery of the CR3 Uprate Project, what reports, if any, should PEF be required to file with the Commission?

POSITION: No position at this time.

ISSUE 8: Should this docket be closed?

POSITION: No position at this time.

e. Stipulated Issues

Staff is not aware of any stipulated issues at this time.

f. Pending Motions

Staff has no pending motions at this time.

g. Pending Confidentiality Claims or Requests

PEF's Request for Confidential Classification, filed June 20, 2007.
PEF's Request for Confidential Classification, filed June 7, 2007.

h. Objections to Witness Qualifications as an Expert

Staff has no objections to any witness' qualifications as an expert in this proceeding.

i. Compliance with Order No. PSC-07-0390-PCO-EI and PSC-07-0446-PCO-EI.

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

Respectfully submitted this 9th day of July, 2007.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement was
furnished to the following, by U.S. Mail, on this 9th day of July, 2007.

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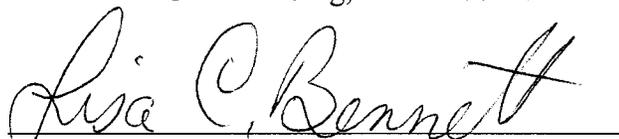
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