

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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COMMISSION  
CLERK

In Re: Fuel and Purchased Power Cost )  
Recovery Clause with Generating )  
Performance Incentive Factor )  
\_\_\_\_\_ )

DOCKET NO. 090001-EI  
FILED: October 7, 2009

PREHEARING STATEMENT OF THE FLORIDA RETAIL FEDERATION

The Florida Retail Federation, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-09-0142-PCO-EI, issued March 6, 2009, hereby submits this Prehearing Statement.

APPEARANCES:

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On behalf of the Florida Retail Federation

1. WITNESSES:

The Florida Retail Federation does not intend to call any witnesses for direct examination, but reserves its rights to cross-examine all witnesses.

2. EXHIBITS:

The Florida Retail Federation will not introduce any exhibits on direct examination, but reserves its rights to introduce exhibits through cross-examination of other parties' witnesses.

3. STATEMENT OF BASIC POSITION

The investor-owned electric utilities bear the burden of proving the reasonableness and prudence of their expenditures for which they seek recovery through their Fuel and Purchased Power Cost Recovery Charges.

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The FRF agrees with FIPUG that if the Commission were to grant base rate and cost recovery increases sought in other dockets, which the FRF opposes, such increases would take effect early in 2010. The fuel cost reductions are welcome, but will mislead customers by giving the wrong impression that customers' bills are not dramatically affected by rate increases in other dockets. Should minimal or no base rate increases be authorized, ratepayers would realize the full beneficial impact of the projected fuel price decreases. Real power bill reductions will enable customers to retain funds that can be used to help weather the difficult economy confronting Florida.

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

**ISSUE 1A:** Should the Commission approve as prudent, PEF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in PEF's April 2009 and August 2009 hedging reports?

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

**ISSUE 1B:** Should the Commission approve PEF's 2010 Risk Management Plan?

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

#### **Florida Power & Light Company**

**ISSUE 2A:** Should the Commission approve as prudent, FPL's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in FPL's April 2009 and August 2009 hedging reports?

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

**ISSUE 2B:** Should the Commission approve FPL's 2010 Risk Management Plan?

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

**ISSUE 2C:** With respect to the February 26, 2008 outages, should FPL or its customers be responsible for replacement power costs associated with the outages?

**FRF:** Pursuant to agreement between OPC and FPL, this issue should be considered in the 2010 Fuel Docket. The FRF does not oppose this deferral to the 2010 Fuel Docket.

### **Florida Public Utilities Company**

**ISSUE 3A:** Has FPUC pursued all reasonable avenues to protect its ratepayers from mid-course increases in fuel and demand charges from JEA in 2009?

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

**ISSUE 3B:** Should the Commission approve FPUC's proposal to use a portion of storm hardening revenues to mitigate increases to customers in the Northwest Division?

**FRF:** No position at this time pending review of outstanding discovery.

### **Gulf Power Company**

**ISSUE 4A:** Should the Commission approve as prudent, GULF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in GULF's April 2009 and August 2009 hedging reports?

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

**ISSUE 4B:** Should the Commission approve GULF's 2010 Risk Management Plan?

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

**ISSUE 4C:** Should the Commission approve GULF's proposal to include the costs associated with construction and operation of the Perdido Landfill Gas to Energy Facility in the fuel clause?

**FRF:** No position at this time pending review of outstanding discovery.

### **Tampa Electric Company**

**ISSUE 5A:** Should the Commission approve as prudent, TECO's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in TECO's April 2009 and August 2009 hedging reports?

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

**ISSUE 5B:** Should the Commission approve TECO's 2010 Risk Management Plan?

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

#### **GENERIC FUEL ADJUSTMENT ISSUES**

**ISSUE 6:** What are the appropriate actual benchmark levels for calendar year 2009 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

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

**ISSUE 7:** What are the appropriate estimated benchmark levels for calendar year 2010 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

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

**ISSUE 8:** What are the appropriate fuel adjustment true-up amounts for the period January 2008 through December 2008?

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

**ISSUE 9:** What are the appropriate fuel adjustment true-up amounts for the period January 2009 through December 2009?

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

**ISSUE 10:** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2010 to December 2010?

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

**ISSUE 11:** What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2010 through December 2010?

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

**ISSUE 12:** What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2010 through December 2010?

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

**ISSUE 13:** What are the appropriate levelized fuel cost recovery factors for the period January 2010 through December 2010?

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

**ISSUE 14:** 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?

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

**ISSUE 15:** What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

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

**ISSUE 16:** What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

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

## **COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES**

### **Progress Energy Florida, Inc.**

No company-specific issues for Progress Energy Florida, Inc. have been identified at this time. If such issues are identified, they shall be numbered 17A, 17B, 17C, and so forth, as appropriate.

### **Florida Power & Light Company**

No company-specific issues for Florida Power & Light Company have been identified at this time. If such issues are identified, they shall be numbered 18A, 18B, 18C, and so forth, as appropriate.

### **Gulf Power Company**

No company-specific issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 19A, 19B, 19C, and so forth, as appropriate.

#### **Tampa Electric Company**

No company-specific issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 20A, 20B, 20C, and so forth, as appropriate.

### **GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES**

**ISSUE 21:** What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2008 through December 2008 for each investor-owned electric utility subject to the GPIF?

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

**ISSUE 22:** What should the GPIF targets/ranges be for the period January 2010 through December 2010 for each investor-owned electric utility subject to the GPIF?

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

### **COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES**

#### **Progress Energy Florida, Inc.**

**ISSUE 23A:** Has PEF included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 090009-EI?

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

#### **Florida Power & Light Company**

**ISSUE 24A:** Has FPL included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 090009-EI?

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

#### **Gulf Power Company**

No company-specific issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 25A, 25B, 25C, and so forth, as appropriate.

### **Tampa Electric Company**

No company-specific issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 26A, 26B, 26C, and so forth, as appropriate.

### **GENERIC CAPACITY COST RECOVERY FACTOR ISSUES**

**ISSUE 27:** What are the appropriate capacity cost recovery true-up amounts for the period January 2008 through December 2008?

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

**ISSUE 28:** What are the appropriate capacity cost recovery true-up amounts for the period January 2009 through December 2009?

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

**ISSUE 30:** What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2010 through December 2010?

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

**ISSUE 31:** What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2010 through December 2010?

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

**ISSUE 32:** What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2010 through December 2010?

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

**ISSUE 33:** What are the appropriate capacity cost recovery factors for the period January 2010 through December 2010?

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

5. **STIPULATED ISSUES:**

None.

6. **PENDING MOTIONS:**

The FRF has no pending motions before the Commission in this docket.

7. **STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:**

The FRF has no pending requests for claims for confidentiality.

8. **OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:**

The FRF does not expect to challenge the qualification of any witness.

9. **STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:**

There are no requirements of the Order Establishing Procedure with which the Florida Retail Federation cannot comply.

Dated this 7<sup>th</sup> day of October, 2009.



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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by electronic and U. S. Mail on this 7th day of October, 2009.

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