## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

RECENTED HT/SO

In re: Fuel and purchased power cost recovery | DOCKET NO. 100001-EI clause with generating performance incentive factor.

FILED: October 11, 2010

10 OCT | | PI; 4: 42

## AFFIRM'S PREHEARING STATEMENT

The Florida Alliance for Fairness In Ratemaking (AFFIRM), pursuant to the Order Establishing Procedure in this docket, ORDER NO. PSC-10-0154-PCO-EI, issued March 18, 2010, submits this its Prehearing Statement.

## **APPEARANCES:**

Patrick K. Wiggins Post Office Drawer 1657 Tallahassee, FL 32302 On Behalf of AFFIRM

1. WITNESSES:

None

2. EXHIBITS:

None

3. STATEMENT OF BASIC AFFIRM

None

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## 4. STATEMENT OF FACTUAL ISSUES AND AFFIRM S

#### COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

## Progress Energy Florida, Inc.

**ISSUE 1A** Should the Commission approve as prudent, Progress Energy Florida Inc.'s

actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in Progress Energy Florida, Inc.'s April 2010 and August 2010

hedging reports?

**<u>AFFIRM</u>**: No position at this time.

ISSUE 1B Should the Commission approve Progress Energy Florida, Inc.'s 2011 Risk

Management Plan?

**<u>AFFIRM</u>**: No position at this time.

**ISSUE 1C:** Should the prudence of Progress Energy Florida, Inc.'s replacement power costs

related to the extended outage at Crystal River Unit 3 be considered in a separate

docket?

**ISSUE 1D** Should Progress Energy Florida, Inc. be permitted to collect through the fuel

clause, amounts related to replacement power due to the extended outage at Crystal River Unit 3 prior to the Commission's determination of the prudence of

such costs in a separate docket?

#### Florida Power & Light Company

**ISSUE 2A:** Should the Commission approve as prudent, Florida Power & Light Company's

actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in Florida Power & Light Company's April 2010 and August

2010 hedging reports?

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

**ISSUE 2B:** Should the Commission approve Florida Power & Light Company's 2011 Risk

Management Plan?

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

What are the appropriate projected jurisdictional fuel savings associated with West County Energy Center Unit 3 ("WCEC-3") for the period January 2011 through December 2011? (This issue would not be required if the Commission were to reject the Stipulation and Settlement that was entered into on August 20, 2010 by FPL and the Office of Public Counsel, the Attorney General of the State of Florida, the Florida Industrial Power Users Group, the Florida Retail Federation, the South Florida Hospital and Healthcare Association, the Federal Executive Agencies, and Associated Industries of Florida in Docket No. 080677-EI (the "Settlement Agreement")).

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

**ISSUE 2D:** What are the appropriate projected jurisdictional non-fuel revenue requirements associated with WCEC-3 for the period January 2011 through December 2011? (This issue would not be required if the Commission were to reject the Settlement Agreement).

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

## Florida Public Utilities Company

**ISSUE 3A:** Has the bankruptcy filing of the Jefferson Smurfit Company had any effect on Florida Public Utilities Company's northeast division fuel factors?

**<u>AFFIRM</u>**: No position at this time.

### **Gulf Power Company**

**ISSUE 4A:** Should the Commission approve as prudent, Gulf Power Company's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in Gulf Power Company's April 2010 and August 2010 hedging reports?

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

**ISSUE 4B:** Should the Commission approve Gulf Power Company's 2011 Risk Management Plan?

**<u>AFFIRM</u>**: No position at this time.

**ISSUE 4C:** Should the Commission approve Gulf Power Company's fuel clause recovery of

the projected costs of landfill gas associated with the Perdido Landfill Gas to

Energy Facility for the years 2010 and 2011?

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

# **Tampa Electric Company**

**ISSUE 5A:** Should the Commission approve as prudent, Tampa Electric Company's actions

to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in Tampa Electric Company's April 2010 and August 2010 hedging

reports?

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

ISSUE 5B Should the Commission approve Tampa Electric Company's 2011 Risk

Management Plan?

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

#### GENERIC FUEL ADJUSTMENT ISSUES

**ISSUE 6**: What are the appropriate actual benchmark levels for calendar year 2010 for gains

on non-separated wholesale energy sales eligible for a shareholder incentive?

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

**ISSUE 7**: What are the appropriate estimated benchmark levels for calendar year 2011 for

gains on non-separated wholesale energy sales eligible for a shareholder

incentive?

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

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

2009 through December 2009?

**<u>AFFIRM</u>**: No position at this time.

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

2010 through December 2010?

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

**ISSUE 10** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2011 to December 2011?

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

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 2011 to December 2011?

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

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 2011 to December 2011?

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

**ISSUE 13** What are the appropriate levelized fuel cost recovery factors for the period January 2011 to December 2011?

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

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?

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

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

**AFFIRM**: 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?

**<u>AFFIRM</u>**: No position at this time.

# COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR (GPIF) ISSUES

Progress Energy Florida, Inc.

None.

# Florida Power & Light Company

None.

## **Gulf Power Company**

None.

## **Tampa Electric Company**

None.

## 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 2009 through

December 2009 for each investor-owned electric utility subject to the GPIF?

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

**ISSUE 22** What should the GPIF targets/ranges be for the period January 2011 through

December 2011 for each investor-owned electric utility subject to the GPIF?

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

## COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

## Progress Energy Florida, Inc.

ISSUE 23A: Has Progress Energy Florida, Inc. included in the capacity cost recovery clause,

the nuclear cost recovery amount ordered by the Commission in Docket No.

100009-EI?

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

## Florida Power & Light Company

ISSUE 24A: Has Florida Power & Light Company included in the capacity cost recovery

clause, the nuclear cost recovery amount ordered by the Commission in Docket

No. 100009-EI?

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

## **Gulf Power Company**

None.

## Tampa Electric Company

None.

# GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

**ISSUE 27**: What are the appropriate capacity cost recovery true-up amounts for the period

January 2009 through December 2009?

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

**ISSUE 28** What are the appropriate capacity cost recovery true-up amounts for the period

January 2010 through December 2010?

**AFFIRM**: 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 2011 through December 2011?

**AFFIRM**: 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 2011 through

December 2011?

**AFFIRM**: 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 2011

through December 2011?

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

**ISSUE 33** What are the appropriate capacity cost recovery factors for the period January

2011 through December 2011?

**AFFIRM**: No position at this time

Respectfully submitted,

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