

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental cost recovery clause.

DOCKET NO. 980007-EI

FILED: FEBRUARY 6, 1998

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-98-0047-PCO-EI, issued January 6, 1998, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

None.

b. All Known Exhibits

None.

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

Generic Environmental Cost Recovery Issues

ACK _____

AFA _____

APP _____

CAF _____

CMU _____

CTR _____

EAG _____

LEG _____

LIN 3

OPC _____

RCH _____

SEC 1

WAS _____

OTH _____

ISSUE 1: What are the appropriate final environmental cost recovery true-up amounts for the period ending September 30, 1997?

STAFF: TECO: No position at this time.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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ISSUE 2: What are the estimated environmental cost recovery true-up amounts for the period October, 1997, through March, 1998?

STAFF: TECO: No position at this time pending resolution of company-specific issues.

ISSUE 3: What are the total environmental cost recovery true-up amounts to be collected during the period April, 1998, through September, 1998?

STAFF: TECO: No position at this time pending resolution of company-specific issues.

ISSUE 4: What are the appropriate projected environmental cost recovery amounts for the period April, 1998, through September, 1998?

STAFF: TECO: No position at this time pending resolution of company-specific issues.

ISSUE 5: What should be the effective date of the new environmental cost recovery factors for billing purposes?

STAFF: The factor should be effective beginning with the specified environmental cost recovery cycle and thereafter for the period April 1998 through September 1998. Billing cycles may start before April 1, 1998, and the last cycle may be read after September 30, 1998, so that each customer is billed for six months regardless of when the adjustment factor became effective.

ISSUE 6: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery true-up amounts to be collected during the period April, 1998, through September, 1998?

STAFF: The depreciation rates used to calculate the depreciation expense should be the rates that are in effect during the period the allowed capital investment is in service.

ISSUE 7: How should the newly proposed environmental costs be allocated to the rate classes?

STAFF: No position at this time.

ISSUE 8: What are the appropriate Environmental Cost Recovery Factors for the period April, 1998, through September, 1998, for each rate group?

STAFF: TECO: No position at this time pending resolution of company-specific issues.

Company - Specific Environmental Cost Recovery Issues

ISSUE 9: Should the Commission approve Tampa Electric Company's request for recovery of costs of the Gannon Ignition Oil Tank Upgrade through the Environmental Cost Recovery Clause?

STAFF: No position at this time.

ISSUE 10: Should the Commission approve Tampa Electric Company's request for recovery of costs of the Big Bend Fuel Oil Tank Number 1 Upgrade through the Environmental Cost Recovery Clause?

STAFF: No position at this time.

ISSUE 11: Should the Commission approve Tampa Electric Company's request for recovery of costs of the Big Bend Fuel Oil Tank Number 2 Upgrade through the Environmental Cost Recovery Clause?

STAFF: No position at this time.

ISSUE 12: Should the Commission approve Tampa Electric Company's request for recovery of costs of the Phillips Tank Number 1 Upgrade through the Environmental Cost Recovery Clause?

STAFF: No position at this time.

ISSUE 13: Should the Commission approve Tampa Electric Company's request for recovery of costs of the Phillips Tank Number 4 Upgrade through the Environmental Cost Recovery Clause?

STAFF: No position at this time.

ISSUE 14: What adjustment for SO₂ Allowances, if any, should be made to Tampa Electric Company's Environmental Cost Recovery Factor as a result of the Commission's decision in Docket No. 970171-EU?

STAFF: No position at this time. (This issue was deferred from the August 1997 Environmental Cost Recovery Clause hearing in order to implement the Commission's vote in Docket No. 970171-EU, which subsequently took place on September 23, 1997.)

ISSUE 15: What is the appropriate methodology for determining the credit to the Environmental Cost Recovery Clause for the incremental SO₂ Allowance costs incurred as a result of the Lakeland and FMPA wholesale sales?

STAFF: No position at this time.

Other Issues

ISSUE 16: Should the Commission approve a change in the frequency of the environmental cost recovery clause hearings from semi-annual hearings to annual hearings? If the change is approved, what 12 month period (fiscal or calendar) should be used and how should the change be implemented?

STAFF: The Commission should establish a separate docket to consider a change in the frequency of the environmental cost recovery clause hearings from semi-annual to annual, as well as the period to be used and the manner of implementation, for all parties in the docket.

e. Pending Motions

None.

f. Compliance with Order No. PSC-98-0047-PCO-EI

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

Respectfully submitted this 6th day of February, 1998.



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Staff Counsel

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of Staff's Prehearing Statement has been furnished by U.S. Mail this 6th day of February, 1998, to the following:

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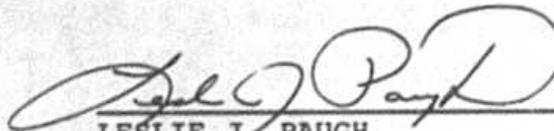
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