ORIGINAL

M E M O R A N D U M

October 18, 1999

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (C. KEATING) WCK

RE: DOCKET NO. 990001-EI - FUEL AND PURCHASED POWER COST RECOVERY CLAUSE AND GENERATING PERFORMANCE INCENTIVE FACTOR

Attached is the Direct Testimony of Judy G. Harlow to be filed in the above-referenced docket.

WCK/cc
Attachment
cc: Division of Electric and Gas

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DOCKET NO. 990001-EI

WITNESS: Testimony of Judy Harlow
Appearing On Behalf Of Staff

DATE: October 18, 1999

DIRECT TESTIMONY OF JUDY G. HARLOW

Q. Please state your name and business address.

A. My name is Judy G. Harlow. My business address is 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850.

Q. By whom are you employed and in what capacity?

A. I am employed by the Florida Public Service Commission (FPSC) as an Economic Analyst in the Bureau of System Planning/Conservation and Electric Safety in the Division of Electric and Gas.

Q. Please describe your educational and professional background.

A. I attended Louisiana State University and received a B.S. in Business Administration with an Economics major in 1980; a M.S. in Economics in 1982; and completed the course work and general exams toward my Ph.D. in Economics with a minor in Finance in 1985. I was employed by the FPSC in November, 1991 as a Research and Planning Economist in the Division of Research and Regulatory Review. In August, 1996, I transferred to my current position as an Economic Analyst in the Bureau of System Planning/Conservation and Electric Safety.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to recommend that the current 20 percent stockholder incentive for investor-owned utilities selling economy energy, approved in Commission Order No. 12923, be discontinued.

Q. Please provide a history of how the current stockholder incentive came into existence.

A. Economy sales are hourly non-firm sales made primarily to take advantage of production cost differences between utilities. Florida's Energy Broker

System was created in 1978 to facilitate economy sales within the state. Prior to this time, wholesale sales were limited in Florida and some utilities were reluctant to participate in an economy energy sales market.

Prior to April 1, 1984, gains on economy sales were treated as operating revenue in base rates. Therefore, economy sales were projected in each rate proceeding and revenue requirements were reduced to reflect these projected broker revenues. Between rate cases, if a utility could sell more economy energy than projected, or make these sales at a higher margin than projected, the revenues in excess of the rate case projection would increase the utility's rate of return. This gave utilities an incentive to underestimate economy sales during a rate case. Forecasting these sales involves the projection of multiple utility loads and costs. Therefore, these sales were very difficult to predict and it was difficult to detect if these sales were underestimated during a rate case.

To eliminate the difficulty in forecasting these sales and the potential for utilities to underestimate these sales during a rate case proceeding, on January 24, 1984, the FPSC issued Order No. 12923, which changed the regulatory treatment of gains made on economy sales. The FPSC ordered that, beginning on April 1, 1984, the investor-owned utilities remove the gains from economy sales from base rates and flow these gains through the Fuel and Purchased Power Cost Recovery Clause, and apply a 20 percent stockholder incentive to these gains. The 20 percent incentive was applied below the line as an incentive to encourage economy sales, while the remaining 80 percent benefitted ratepayers by reducing the fuel charge.

Q. Do you believe that an incentive was needed in 1984?

A. Yes. Compared with present market conditions, the wholesale market for electricity in Florida was very different in 1984. Investor-owned electric utilities were not exposed to the competition for wholesale customers experienced in the electric market today. Non-utility generators were virtually non-existent. Also, industrial customers did not have the self-generation options available today. Therefore, utilities had less incentive to make economy sales which benefit ratepayers and result in lower rates.

Also, the arrangement of economy sales was a peripheral function of the system dispatcher. The result was that utilities did not vigorously pursue economy sales. During the transition period toward a more fully developed wholesale market, the stockholder incentive encouraged utilities to more aggressively participate in the economy market. This resulted in a benefit to the utilities' ratepayers.

Q. Why do you believe the incentive is no longer necessary?

There are four primary reasons why I believe the incentive is no longer necessary:

1) The electric industry has changed dramatically since the incentive was approved in 1984. Changes have occurred in both the wholesale and retail markets for electricity which have increased utility incentives to make wholesale economy sales in order to keep rates as low as possible.

The wholesale market has developed dramatically since 1984. The Energy Policy Act of 1992 reduced regulatory barriers to entry for additional wholesale generators, or Exempt Wholesale Generators. Plans for several Exempt Wholesale Generators located in Florida are currently being developed. Also, the Federal Energy Regulatory Commission's (FERC) open access requirements set forth in Orders 888 and 889, issued in 1996, have reduced barriers to transmission access for wholesale competitors. These changes in the wholesale market have resulted in a greater incentive for utilities to complete economic wholesale sales in order to keep rates as low as possible and retain wholesale customers.

The retail market for electricity has also changed. Utilities are under added pressure from large industrial customers to keep rates low. Stable natural gas prices and technological developments in power generation have increased the opportunity for these large retail customers to self-generate. Utilities therefore have more incentive in today's market to make economy wholesale sales which provide credits to customers through the fuel clause. This reduces the potential for these large industrial customers to self-generate and leave a utility's system.

2) Making wholesale sales, including economy sales, is no longer a peripheral function for the system dispatcher. FERC has recently required that the operations function be unbundled from the marketing function for investor-owned utilities. Therefore, Florida's investor-owned utilities now have a marketing department dedicated to making cost-effective wholesale purchases and sales. For many utilities, one or more employees are now dedicated solely to making economy sales.

3) At the time the stockholder incentive was approved by the FPSC, economy sales made outside the broker network were rare. However, in recent years, utilities' efforts to make economy sales outside the broker network have increased. This has resulted in an increase in non-broker economy sales. This has led to a decline in sales on the Energy Broker Network, not because

utilities need a greater incentive to make additional broker sales, but because economy sales made outside the broker network are more flexible and often more profitable for the utilities and/or their ratepayers. As noted on page nine of the testimony of Tampa Electric Company's (TECO) witness Lynn Brown, prefiled October 1, 1999, in this docket:

> Today, many utilities either make hourly or block energy sales off the broker at market-based prices. Since the broker is limited to cost-based transactions, it has experienced a steady decline in usage due to greater profit opportunities elsewhere for those seeking to sell power. While the broker can be the best means for a buyer to enter into a cost-based hourly transaction, other more lucrative opportunities exist for sellers in today's market. These include market-based, hourly, off-broker transactions and same day or next day market-based block sales.

Florida Power Corporation's (FPC) witness, Karl Wieland, discussed FPC's increased efforts to make off-broker economy sales in the "transmission reconsideration" hearing in Docket No. 990001-EI, held on February 12, 1999. Mr. Wieland describes a "very open market where a lot of communication takes place between all the parties, and the arrangements [for wholesale economy sales] are just made basically over the phone between brokers." When asked whether off-broker economy sales will start to reduce the sales made by FPC on the broker network, Mr. Wieland stated that only four years ago, 90% of FPC's economy sales were made on the broker network, while currently approximately 90% of FPC's economy sales are made <u>outside</u> the broker network.

The portion of the hearing transcript containing Mr. Wieland's statements is included as Exhibit No. (JGH-1).

It is important to note that while these off-broker economy sales have been increasing, Florida Power and Light Company (FPL) and FPC do not apply the 20 percent stockholder incentive to these off-broker economy sales. Therefore, an incentive does not appear to be necessary in order to encourage economy sales.

4) The FPSC's order establishing the stockholder incentive on economy sales was interpreted differently by Gulf Power Company (Gulf) and TECO than by FPL and FPC. According to Gulf's response to staff's first set of interrogatories in Docket No. 990001-EI, Gulf does not make economy energy sales through the Energy Broker Network. However, Gulf applies the 20 percent stockholder incentive to "all of its non-separated wholesale economy energy sales." TECO applies the incentive to all Schedule C and Schedule X, "split-the-savings," economy sales made on and off the broker network. FPL and FPC responded that the 20 percent stockholder incentive is only applied to economy energy sales made on the Energy Broker Network. The interrogatory responses of Gulf, TECO, FPL, and FPC are included as Exhibit No. (JGH-2).

As economy sales made outside the broker system increase for FPL and FPC, the disparity in the application of the shareholder incentive for Gulf and TECO versus FPL and FPC will also increase. Removing the stockholder incentive would rectify this disparity in regulatory treatment in the future.

Q. Does this conclude your testimony?

A. Yes.

Q (By Mr. Keating) I'm hoping you can answer this question for me. At Mr. Slusser's deposition, at which I think you were present at --

A Yes.

Q -- he discussed the actions by Florida Power Corporation and other utilities to make economy sales outside the Energy Broker Network.

Could you briefly describe how these nonbroker sales are arranged between utilities?

A Well, we have a fairly active power marketing department that really is in charge of doing that, and essentially they work much like any other broker operation.

They have computers. They have -- you know, they're constantly in touch. They look at -- you know, they're both in verbal and by computer communication with other companies, not only here in Florida, but outside of Florida, and are constantly buying and selling energy that, you know, falls into that economy transaction.

So, you know, in some instances companies will just call and ask us if they have anything -- if we have anything to sell. In some cases they're -- I don't think I'd call them RFP's, but they're basically, you know, posting prices that people are willing to sell for.

So it's a -- you know, it's a fairly -- it's a very open market where a lot of communication takes place between all the parties, and the arrangements are just made basically over the phone between brokers. And we do both our buying and selling that way.

Q Do you expect that these types of off-broker economy sales will start to edge out or reduce the sales that are made by Florida Power Corporation on the Broker Network?

A Well, I think they already have. I mean, if you compare -- and, in fact, I've done that out of curiosity -- if you go back a couple years and just look at our A schedules that we filed and, you know, look at broker versus nonbroker sales, it used to be -- even four years ago it used to be 90% broker and maybe a little piddling of other things; and now it's basically the other way around.

Q Do you expect that trend to continue?

A Yes, although it's -- I mean, I -- you can't really go much beyond 90% without wiping out broker sales altogether; and I don't think they're going to go away. So we may already have reached a -- you know, sort of a level, a new level.

1. Please indicate whether Gulf calculates the 80%/20% incentive mechanism, as set forth in Order No. 12923, issued January 24, 1984, in Docket No. 830001-EU-B, on non-separated wholesale energy sales other than economy energy sales made through Energy Broker Network (formerly known as the Florida Energy Broker System). If so, please respond to the following:

    a. Please identify all other types of non-separated wholesale energy sales on which Gulf calculates the 80%/20% incentive mechanism.

    b. For each type of non-separated wholesale energy sale identified in Gulf's response to Interrogatory No. 1a, above, please indicate the authority which requires or permits Gulf to calculate the 80%/20% incentive mechanism on such sales.

    c. For each type of non-separated wholesale energy sale identified in Gulf's response to Interrogatory No. 1a. above, please indicate on an annual basis from 1990 to 1998 the amount of and total revenues from energy sold by Gulf.

    d. For each type of non-separated wholesale energy sale identified in Gulf's response to Interrogatory No. 1a above, please indicate on an annual basis from 1990 to 1998 the generation-related gain on such sales by Gulf. For purposes of responding to this interrogatory, the generation gain should be defined as total revenue received on a wholesale energy sale minus the sum of the following: incremental fuel costs, incremental O&M costs, and any transmission charge paid by the purchaser.

ANSWER:

Gulf Power Company calculates the 80%/20% incentive mechanism on non-separated wholesale economy energy sales not made through the Energy Broker Network. Gulf does not make economy energy sales through the Energy Broker Network.

a. Gulf calculates the 80%/20% incentive mechanism on all of its non-separated wholesale economy energy sales, none of which are made through the Energy Broker Network. These sales are categorized by Gulf Power as "economy" sales and "external" sales to differentiate the sales based on whether they are made to non-affiliated utilities that are directly interconnected to the Southern electric system ("economy") or to non-affiliated utilities and power marketers that are <u>not</u> directly interconnected to the Southern electric system ("external").

b. In Order No. 12663 issued November 11, 1983 in Docket No. 830012-EU (TECO's rate case) the Commission decided to review in the next fuel adjustment proceeding whether or not gains from economy sales should be removed from base rates and considered in the fuel clause. In the generic fuel docket, No. 830001-EU-B, the Commission concluded in Order No. 12923 issued January 25, 1985 that it was appropriate to remove the profits associated with economy energy sales from base rates for all of the investor owned electric utilities and to include 80% of such profits in the fuel clause beginning April 1, 1984. To facilitate the change from base rate recovery to fuel clause recovery, the Commission "directed the utilities to provide the dollar amount of economy sales profits included in base rates in their most recent rate case." Gulf Power complied with this directive in a letter to the FPSC dated February 3, 1984. The staff reviewed this information along with similar information supplied by the other affected utilities and compiled a composite spreadsheet for the utilities to review. The composite spreadsheet was sent to Gulf and the other affected utilities by letter from Staff Counsel M. Robert Christ dated February 10, 1984. In Order No. 13092 (issued March 16, 1984 in Docket No. 840001-EU), the Commission acknowledged that the utilities' filings for the fuel cost recovery period beginning April 1, 1984 included ". . . economy energy sales profits in their projections for the April – September 1984 period based on the 80%/20% split between the ratepayers and the shareholders. Because the economy energy sales profits are currently in base rates, it is also necessary to adjust the base rates to exclude these profits as of April 1, 1984." A review of Schedule C attached to that order shows the adjustment to base rates proposed by Gulf was agreed to by staff and the 80%/20% split between the ratepayers and the shareholders for Gulf's economy energy sales. At that time, all of Gulf's economy energy sales were Schedule C economy sales made pursuant to FERC regulated interchange agreements between the operating companies of the Southern Company ("the Southern electric system") and non-affiliated utilities directly interconnected with the Southern electric system. Public Counsel appealed the Commission's order regarding the treatment of profits made by utilities in economy energy sales. The Florida Supreme Court affirmed the Commission's order in this case on February 28, 1985. Gulf has continued to include 80% of the profit associated with Schedule C economy sales as a credit to ratepayers through the fuel clause.

Since 1995, in addition to Gulf's Schedule C economy sales, the Company has made economy sales to utilities that are not directly interconnected with the Southern electric system (external sales) that include a markup similar to Schedule C economy sales. Gulf has consistently applied the directive of Order No. 12923 regarding the 80%/20% split of gain on economy sales to all of its non-separated wholesale economy sales, both those made to directly interconnected utilities (internally classified as "economy") and those to utilities that are not directly interconnected (internally classified as "external").

c. Total Revenues Associated with Gulf's Non-separated Wholesale Energy Sales:

	Economy Sales		External Sales	
	Kwh	$	Kwh	$
1990	162,650,533	4,533,012	0	0
1991	34,087,642	944,372	0	0
1992	16,088,539	463,988	0	0
1993	59,132,645	1,714,384	0	0
1994	101,899,768	3,166,783	0	0
1995	44,339,013	1,327,585	277,927	6,435
1996	32,849,547	969,109	11,298,332	281,274
1997	76,641,743	2,212,222	61,543,208	1,850,438
1998	52,436,553	1,590,115	27,376,440	1,282,630

d. Generation-related Gains on Gulf's Non-separated Wholesale Energy Sales:

	Economy Sales	External Sales
	$	$
1990	742,959	0
1991	110,737	0
1992	50,099	0
1993	188,615	0
1994	320,847	0
1995	157,890	0
1996	86,758	0
1997	370,782	369,979
1998	257,606	669,167

TAMPA ELECTRIC COMPANY
DOCKET NO. 990001-EI
STAFF'S 1st SET OF INTERROGATORIES
INTERROGATORY NO. 1
SPONSOR: ZWOLAK/BROWN
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1. Please indicate whether TECO calculates the 80%/20% incentive mechanism, as set forth in Order No. 12923, issued January 24, 1984, in Docket No. 830001-EU-B, on non-separated wholesale energy sales other than economy energy sales made through Energy Broker Network (formerly known as the Florida Energy Broker System). If so, please respond to the following:

   a. Please identify all other types of non-separated wholesale energy sales on which TECO calculates the 80%/20% incentive mechanism.

   b. For each type of non-separated wholesale energy sale identified in TECO's response to Interrogatory No. la, above, please indicate the authority which requires or permits TECO to calculate the 80%/20% incentive mechanism on such sales.

   c. For each type of non-separated wholesale energy sale identified in TECO's response to Interrogatory No. la, above, please indicate on an annual basis from 1990 to 1998 the amount of and total revenues from energy sold by TECO.

   d. For each type of non-separated wholesale energy sale identified in TECO's response to Interrogatory No. la, above, please indicate on an annual basis from 1990 to 1998 the generation-related gain on such sales by TECO. For purposes of responding to this interrogatory, the generation-related gain should be defined as total revenue received on a wholesale energy sale minus the sum of the following: incremental fuel costs, incremental O&M costs, and any transmission charge paid by the purchaser.

A. Yes.

   a. Tampa Electric Company (TEC) calculates the 80%/20% incentive mechanism on all off-broker economy energy sales made through the Energy Broker Network (EBN) and off the EBN. All of these sales are made in accordance with Service Schedule C (Economy Energy Interchange Service) and Service Schedule X (Extended Economy Interchange Service) under TEC's Interchange Contracts.

   b. As stated in the response to Interrogatory No. 1.a., above, TEC calculates the 80%/20% incentive only on sales made under the FERC-approved Service Schedule C (Economy Energy Interchange Service) and

Service Schedule X (Extended Economy Interchange Service). Both of theses interchange service agreements are termed "economy sales." In the case of Service Schedule C sale, these can be made either through the broker or off-broker. Service Schedule X sales can only be made off-broker.

Order No. 12923 issued in Docket No. 830001-EU-B in which the authority to calculate an 80%/20% incentive was given, refers to these sales as "economy energy transactions." This order stated,

> Economy energy transactions represent the sale of energy between electric companies. Gains are realized by the selling company as a result of the split-the-savings methodology used to calculate the selling price of economy energy.

There are numerous other Commission orders that address economy sales and their treatment. It is evident, especially in the earlier orders, such as Order No. 7890 issued on July 6, 1977 in Docket No. 74680-CI that economy sales are sales that allow more economical use of generating units. This order defined economy energy as:

> ...energy purchased and substituted for energy that would have been generated by the buying utility's own generating units at a higher cost.

Also, in Docket No. 810001-EU, Order No. 9957, issued April 20, 1981, the order listed several interchange schedule types and brief definitions. It specifically cited Service Schedule C (Economy) as a "split the savings concept."

Later orders and dockets refer to economy and "split-the-savings" interchangeably, with no reference to broker transactions.

Based on a historical review of the Commission's orders, including the specific order in which the 80%/20% incentive was approved, it is evident that the "split-the-savings" transaction is the type of sale upon which the incentive should be calculated. There is no differentiation within these dockets regarding the means utilized to enter into these transactions, however, the EBN was the automated tool established to facilitate economy energy transactions.

TAMPA ELECTRIC COMPANY
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INTERROGATORY NO. 1
SPONSOR: ZWOLAK/BROWN
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Additionally, when reviewing historical practices, Service Schedule X sales (which are multi-hour, cost based economy transactions) have received similar treatment.

Economy transactions, both broker and non-broker, are cost-based, "split-the-savings" type transactions, approved by the FERC. The Commission approved an incentive mechanism in which gains on these transactions are split on an 80%/20% basis between the customers and the company, respectively.

c. TEC does not differentiate between economy transactions made on or off the broker. All of the energy broker sales data included in the attached table for 1990 through 1994 and the year 1998 was obtained from the EBN itself. The EBN also provided revenue data for the years 1990, 1991, 1993, 1994 and 1998. Neither energy data nor revenue data was available from the EBN for 1995 through 1997. Only energy data was available in 1992 and 1998.

d. The generation-related gain for all Service Schedule C and Service Schedule X sales is provided in the right hand column of the table referenced in the response to Interrogatory No. 1.c. As stated in that response, TEC does not differentiate between economy transactions as to whether or not they were made on or off the broker.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost recovery clause and generating performance incentive	DOCKET NO. 990001-EI DATE: JUNE 11, 1999

FLORIDA POWER & LIGHT COMPANY'S RESPONSE TO STAFF'S SECOND SET OF INTERROGATORIES (NOS. 14-43)

Florida Power & Light Company ("FPL") hereby provides this its Response to Staff's Second Set of Interrogatories (Nos. 14-43).

14. Q. Please indicate whether FPL calculates the 80%/20% incentive mechanism, as set forth in Order No. 12923, issued January 24, 1984, in Docket No. 830001-EU-B, on non-separated wholesale energy sales other than economy energy sales made through Energy Broker Network (formerly known as the Florida Energy Broker System). If so please respond to the following:

a) Please identify all other types of non-separated wholesale energy sales on which FPL calculates the 80%/20% incentive mechanism.

b) For each type of non-separated wholesale energy sale identified in FPL's response to Interrogatory 14a, above, please indicate the authority which requires or permits FPL to calculate the 80%/20% incentive mechanism in such sales.

c) For each type of non-separated wholesale energy sale identified in FPL's response to Interrogatory 14a, above, please indicate on an annual basis from 1990 to 1998 the amount of and total revenues from energy sold by FPL.

d) **For each type of non-separated wholesale energy sale identified in FPL's response to Interrogatory 14a, above, please indicate on an annual basis from 1990 to 1998 the generation-related gain on such sales by FPL. For purposes of responding to this interrogatory, the generation-related gain should be defined as the total revenue received on a wholesale energy sale minus the sum of the following: incremental fuel costs, incremental O&M costs, and any transmission charge paid by the purchaser.**

A. FPL only calculates the 80%/20% incentive mechanism on Schedule C economy sales through the Energy Broker Network. Accordingly, Order No. 12923 applies to economy sales, other non-separated sales are not affected by it. FPL returns 100% of any profit on other opportunity sales to our retail customers.

15. Q. **For regulatory purposes, please explain how FPL records transmission revenues derived from non-separated wholesale energy sales other than economy sales made through the Energy Broker Network (EBN).**

A. In response to this interrogatory, FPL has assumed that "non-separated wholesale energy sales other than economy sales made through the Energy Broker Network" are defined as non-EBN sales not reflected in the wholesale/retail separation used to set base rates, and at a minimum, the transaction includes a production and transmission component (e.g. Schedules A & B, and opportunity sales). For these sales, FPL credits (flows back) the transmission revenues to customers through the Capacity Clause.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor.

Docket No. 990001-EI

Submitted for filing: May 28, 1999

FLORIDA POWER CORPORATION'S RESPONSE TO STAFF'S FIRST SET OF INTERROGATORIES TO FLORIDA POWER CORPORATION (NOS. 1-23)

Florida Power Corporation ("FPC") hereby responds to Staff's First Set of Interrogatories (Nos. 1-23), propounded April 26, 1999.

INTERROGATORIES

1. **Please indicate whether Florida Power calculates the 80%/20% incentive mechanism, as set forth in Order No. 12923, issued January 24, 1984, in Docket No. 830001-EU-B, on non-separated wholesale energy sales other than economy energy sales made through Energy Broker Network (formerly known as the Florida Energy Broker System). If so please respond to the following:**

   a. **Please identify all other types of non-separated wholesale energy sales on which Florida Power calculates the 80%/20% incentive mechanism.**

   b. **For each type of non-separated wholesale energy sale identified in Florida Power's response to Interrogatory No. 1a, above, please indicate the**

authority which requires or permits Florida Power to calculate the 80%/20% incentive mechanism on such sales.

c. For each type of non-separated wholesale energy sale identified in Florida Power's response to Interrogatory No. 1a, above, please indicate on an annual basis from 1990 to 1998 the amount of and total revenues from energy sold by Florida Power.

d. For each type of non-separated wholesale energy sale identified in Florida Power's response to Interrogatory No 1a, above, please indicate on an annual basis from 1990 to 1998 the generation-related gain on such sales by Florida Power. For purposes of responding to this interrogatory, the generation-related gain should be defined as total revenue received on a wholesale energy sale minus the sum of the following: incremental fuel costs, incremental O&M cost, and any transmission charge paid by the purchaser.

Response: Florida Power calculates the 80%/20% incentive only on sales made through the Energy Broker Network (EBN). 100% of the gain on all other sales are credited to customers.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause and generating performance incentive factor.	DOCKET NO. 990001-EI FILED: OCTOBER 18, 1999

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of the Direct Testimony of Judy G. Harlow has been furnished by U.S. Mail this 18th day of October, 1999, to the following:

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause and generating performance incentive factor.	DOCKET NO. 990001-EI FILED: OCTOBER 18, 1999

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