

Diamond Williams

From: Kim Hancock [khancock@kagmlaw.com]
Sent: Monday, October 03, 2011 2:38 PM
To: Filings@psc.state.fl.us
Cc: Martha Brown; john.butler@fpl.com; jbeasley@ausley.com; jwahlen@ausley.com; john.burnett@pgnmail.com; kelly.jr@leg.state.fl.us; rehwinkel.charles@leg.state.fl.us; jas@beggslane.com; rab@beggslane.com; allan.jungels@tyndall.af.mil; Karen.white@tyndall.af.mil; garyp@hgslaw.com; Vicki Gordon Kaufman; Jon Moyle
Subject: Docket No. 110007-EI
Attachments: FIPUG Prehearing Statement 10.3.11.pdf

In accordance with the electronic filing procedures of the Florida Public Service Commission, the following filing is made:

a. The name, address, telephone number and email for the person responsible for the filing is:

Vicki Gordon Kaufman
Keefe Anchors Gordon & Moyle
118 North Gadsden Street
Tallahassee, FL 32301
(850) 681-3828
vkaufman@kagmlaw.com

- b. This filing is made in Docket No. 110007-EI.
- c. The document is filed on behalf of Florida Industrial Power Users Group.
- d. The total pages in the document are 6 pages.
- e. The attached document is THE FLORIDA INDUSTRIAL POWER USERS GROUP'S PREHEARING STATEMENT.

Kim Hancock
khancock@kagmlaw.com



Keefe, Anchors, Gordon and Moyle, P.A.
The Perkins House
118 North Gadsden Street
Tallahassee, Florida 32301
(850) 681-3828 (Voice)
(850) 681-8788 (Fax)
www.kagmlaw.com

The information contained in this e-mail is confidential and may be subject to the attorney client privilege or may constitute privileged work product. The information is intended only for the use of the individual or entity to whom it is addressed. If you are not the intended recipient, or the agent or employee responsible to deliver it to the intended recipient, you are hereby notified that any use, dissemination, distribution or copying of this communication is strictly prohibited. If you receive this e-mail in error, please notify us by telephone or return e-mail immediately. Thank you.

DOCUMENT NUMBER-DATE

07177 OCT-3 =

10/3/2011

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Environmental
Cost Recovery Clause
_____ /

Docket No. 110007-EI

Filed: October 3, 2011

**THE FLORIDA INDUSTRIAL POWER USERS GROUP'S
PREHEARING STATEMENT**

The Florida Industrial Power Users Group (FIPUG), pursuant to Order No. PSC-11-0150-PCO-EI, files its Prehearing Statement.

A. APPEARANCES:

VICKI GORDON KAUFMAN
JON MOYLE, JR.
Keefe, Anchors, Gordon & Moyle, PA
118 North Gadsden Street
Tallahassee, FL 32312

Attorneys for the Florida Industrial Power Users Group

B. WITNESSES AND EXHIBITS:

All witnesses and exhibits listed by other parties in this proceeding.

C. STATEMENT OF BASIC POSITION:

PEF should not be permitted to recover any environmental costs related to the purchase of replacement power due to the extended outage at CR3. PEF assumed in last year's proceeding that CR3 would be back on line by this time. However, CR3 is now expected to be out of service until at least the end of 2014. At this point, it is unclear if that will occur or if CR3 will ever return to service.

Issues related to the outage, including the prudence of PEF's actions, will be considered in a separate docket. Ratepayers should not be expected to pay for expenses related to this outage, whose duration is now expected to be measured in years, until a determination is made in Docket No. 100437-EI.

D. STATEMENT OF ISSUES AND POSITIONS:

GENERIC ISSUES

1. **What are the final environmental cost recovery true-up amounts for the period ending December 31, 2010?**

FIPUG: No position at this time.

2. **What are the estimated environmental cost recovery true-up amounts for the period January 2011 through December 2011?**

FIPUG: No position at this time.

3. **What are the projected environmental cost recovery amounts for the period January 2012 through December 2012?**

FIPUG: No position at this time.

4. **What are the environmental cost recovery amounts, including true-up amounts, for the period January 2012 through December 2012?**

FIPUG: No position at this time.

5. **What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2012 through December 2012?**

FIPUG: No position at this time.

6. **What are the appropriate jurisdictional separation factors for the projected period January 2012 through December 2012?**

FIPUG: No position at this time.

7. **What are the appropriate environmental cost recovery factors for the period January 2012 through December 2012 for each rate group?**

FIPUG: No position at this time.

8. **What should be the effective date of the new environmental cost recovery factors for billing purposes?**

FIPUG: No position at this time.

COMPANY-SPECIFIC ISSUES

Florida Power & Light (FPL)

- A. **Should FPL be allowed to recover the costs associated with its proposed St. Lucie Cooling Water Monitoring Project?**

FIPUG: No position at this time.

- B. **How should the costs associated with FPL's proposed St. Lucie Cooling Water Monitoring Project be allocated to the rate classes?**

FIPUG: No position at this time.

- C. **Should FPL be allowed to recover the costs associated with its proposed Industrial Boiler MACT Project?**

FIPUG: No position at this time.

- D. **How should the costs associated with FPL's proposed Industrial Boiler MACT Project be allocated to the rate classes?**

FIPUG: No position at this time.

- E. **Should FPL be allowed to recover the costs associated with its proposed NPDES Permit Renewal Requirement Project?**

FIPUG: No position at this time.

- F. **How should the costs associated with FPL's proposed NPDES Permit Renewal Requirement Project be allocated to the rate classes?**

FIPUG: No position at this time.

- G. **Should FPL be allowed to include the costs associated with its 800 MW ESP Project in its 2012 ECRC factor?**

FIPUG: No position at this time.

- H. **Should FPL be allowed to recover the costs associated with the additional activities required for the Manatee Temporary Heating System Project at Cap Canaveral Plant?**

FIPUG: No position at this time.

Progress Energy Florida (PEF)

- A. **Should PEF be allowed to recover the costs associated with its proposed NPDES Permit Renewal Requirement Project?**

FIPUG: No position at this time.

- B. **How should the costs associated with PEF's proposed NPDES Permit Renewal Requirement Project be allocated to the rate classes?**

FIPUG: No position at this time.

- C. **Should PEF be allowed to create a regulatory asset to recover its \$22.5 million in now worthless NOx allowances Over a one year amortization period?**

FIPUG: No position at this time.

- D. **Should PEF be permitted to recovery any incremental environmental expense related to its need to purchase replacement power due to the CR3 extended outage?**

FIPUG: No. PEF should not be permitted to recover any further costs related to the CR3 extended outage until the issues in Docket No. 100437-EI are resolved.

Gulf Power Company (Gulf)

- A. **Should Gulf be allowed to recover the costs associated with its proposed Impoundment Integrity Inspection Project?**

FIPUG: No position at this time.

- B. **How should the costs associated with Gulf's proposed Impoundment Integrity Inspection Project be allocated to the rate classes?**

FIPUG: No position at this time.

- C. **Should Gulf be allowed to recover the costs associated with the Plant Crist Units 6 and 7 turbine upgrades?**

FIPUG: No position at this time.

- D. **Should the Commission approve Gulf's proposed treatment of its CAIR-related NOx allowances?**

FIPUG: No position at this time.

Tampa Electric Company (TECO)

None

E. STIPULATED ISSUES:

None at this time.

F. PENDING MOTIONS:

None at this time.

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

None.

H. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

None at this time.

I. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which the Florida Industrial Power Users Group cannot comply at this time.

s/ Vicki Gordon Kaufman _____
Vicki Gordon Kaufman
Jon C. Moyle, Jr.
Keefe, Anchors, Gordon & Moyle
118 North Gadsden Street
Tallahassee, FL 32301
(850) 681-3828 (Voice)
(850) 681-8788 (Facsimile)
vkaufman@kagmlaw.com
jmoyle@kagmlaw.com

Attorneys for FIPUG

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of The Florida Industrial Power Users Group's Prehearing Statement has been furnished by Electronic Mail and United States Mail this 3rd day of October, 2011, to the following:

Martha C. Brown
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Jeffrey A. Stone
Russell A. Badders
Beggs & Lane
Post Office Box 12950
Pensacola, Florida 32576-2950

John T. Butler
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

Karen S. White
Captain Allan Jungels
AFLSA/JACL-ULFSC
139 Barnes Drive, Suite 1
Tyndall AFB, Florida 32403-5319

James D. Beasley
J. Jeffrey Wahlen
Ausley & McMullen
Post Office Box 391
Tallahassee, Florida 32302

Gary V. Perko
Hopping Green & Sams
Post Office Box 6526
Tallahassee, Florida 32314

John T. Burnett
Progress Energy Service Company, LLC
Post Office Box 14042
St. Petersburg, Florida 33733-4042

J. R. Kelly
Charles Rehwinkel
Office of Public Counsel
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

s/ Vicki Gordon Kaufman
Vicki Gordon Kaufman