

Gulf Power Company
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Jack L. Haskins
Manager of Rates and Regulatory Matters
and Assistant Secretary

the southern electric system

February 10, 1994

Mr. Steve Tribble, Director
Director of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee FL 32399-0870

Dear Mr. Tribble:

Re: Docket No. **940001-ET**

Enclosed are an original and fifteen copies of the Preliminary Statement of Gulf Power Company Regarding Issues and Positions to be filed in the above docket.

Also enclosed is a 3.5 inch double sided, high density diskette containing the Statement in WordPerfect 5.1 format as prepared on a MS-DOS based computer.

Sincerely,

Jack L. Haskins

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Enclosures

cc: Beggs and Lane
Jeffrey A. Stone, Esq.

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DOCUMENT NUMBER-DATE

01378 FEB 11 1994

FPSC-RECORDS/REPORTING

"Our business is customer satisfaction"

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power)
Cost Recovery Clauses and) Docket No. 940001-EI
Generating Performance Incentive) Filed: Feb. 11, 1994
Factor)
_____)

**PRELIMINARY STATEMENT OF GULF POWER COMPANY
REGARDING ISSUES AND POSITIONS**

Gulf Power Company, ("Gulf Power", "Gulf", or "the "Company"), by and through its undersigned attorneys, and pursuant to the proposed procedural order attached to Staff's memorandum to parties of record dated January 12, 1990, files this preliminary statement of issues and positions, saying¹:

Generic Fuel Adjustment Issues

ISSUE 1: What are the appropriate final fuel adjustment true-up amounts for the period April, 1993 through September, 1993?

GULF: Under recovery \$1,734,229. (Gilchrist, Howell, Cranmer)

ISSUE 2: What are the estimated fuel adjustment true-up amounts for the period October, 1993 through March, 1994?

GULF: Under recovery \$2,995,885. (Gilchrist, Howell, Cranmer)

¹ The issue numbers for generic issues are the same as those set forth in Order No. PSC-93-1201-PHO-EI, the prehearing order issued prior to the August 1993 hearings. At this time, Gulf is not taking a position on the generic oil backout issues or on any company-specific issues relating to other utilities. As a result, numeric gaps in the sequences of issues is intended. Stipulated issues are indicated with an asterisk in the margin.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

ISSUE 3: What are the total fuel adjustment true-up amounts to be collected during the period April, 1994 through September, 1994?

GULF: Under recovery \$4,730,114. (Cranmer)

ISSUE 4: What are the appropriate levelized fuel cost recovery factors for the period April, 1994 through September, 1994?

GULF: 2.158 cents per KWH. (Gilchrist, Howell, Cranmer)

***ISSUE 5:** What should be the effective date of the new fuel adjustment charge, oil backout charge and conservation cost recovery charge for billing purposes?

The factor should be effective beginning with the specified fuel cycle and thereafter for the period April, 1994, through September, 1994. Billing cycles may start before April 1, 1994, and the last cycle may be read after September 30, 1994, so that each customer is billed for six months regardless of when the adjustment factor became effective.

ISSUE 6: What are the appropriate fuel recovery loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class?

GULF: See table below: (Cranmer)

Group	Rate Schedules	Line Loss Multipliers
A	RS, GS, GSD, OSIII, OSIV	1.01228
B	LP	0.98106
C	PX	0.96230
D	OSI, OSII	1.01228

ISSUE 7: What are the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses?

GULF: See table below: (Cranmer)

Group	Rate Schedules	Fuel Cost Factors ¢/KWH		
		Standard	Time of Use	
			On-Peak	Off-Peak
A	RS, GS, GSD, OSIII, OSIV	2.185	2.281	2.139
B	LP	2.117	2.210	2.073
C	PX	2.077	2.168	2.033
D	OSI, OSII	2.269	N/A	N/A

Gulf Power Company-Specific Fuel Adjustment Issues

NONE RAISED BY GULF POWER COMPANY

Generic Generating Performance Incentive Factor Issues

ISSUE 12: What is the appropriate GPIF reward or penalty for performance achieved during the period April, 1993 through September, 1993?

GULF: Reward \$128,552. (Fontaine)

ISSUE 13: What should the GPIF targets/ranges be for the period April, 1994 through September, 1994?

GULF: See table below: (Fontaine)

Unit	EAF	POF	EUOF	Heat Rate
Crist 6	66.6	24.6	8.8	10,391
Crist 7	82.1	0.0	17.9	10,231
Smith 1	80.8	13.1	6.1	10,162
Smith 2	90.8	0.0	9.2	10,192
Daniel 1	86.8	9.3	3.9	10,449
Daniel 2	96.8	0.0	3.2	10,089
EAF = Equivalent Availability Factor POF = Planned Outage Factor EUOF = Equivalent Unplanned Outage Factor				

Gulf Power Company-Specific GPIF Issues

NONE RAISED BY GULF POWER COMPANY

Generic Capacity Cost Recovery Issues

ISSUE 22: What is the final capacity cost recovery true-up amount for the April 1993 through September 1993 period?

GULF: Over recovery \$183,938. (Howell, Cranmer)

ISSUE 23: What is the estimated capacity cost recovery true-up amount for the period October 1993 through March 1994?

GULF: Under recovery \$41,833. (Howell, Cranmer)

ISSUE 24: What is the total capacity cost recovery true-up amount to be collected/refunded during the period April 1994 through September 1994?

GULF: Over recovery \$142,105. (Cranmer)

ISSUE 25a: What are the appropriate projected net purchased power capacity cost amounts to be included in the recovery factors for the period April 1994 through September 1994?

GULF: \$1,303,663 net of taxes and exclusive of true-up adjustments. (Howell, Cranmer)

ISSUE 25: What are the appropriate capacity cost recovery factors for the period April 1994 through September 1994?

GULF: See table below: (Cranmer)

RATE CLASS	CAPACITY COST RECOVERY FACTORS ¢/KWH
RS, RST	0.031
GS, GST	0.031
GSD, GSDT	0.024
LP, LPT	0.021
PX, PXT	0.017
OSI, OSII	0.003
OSIII	0.019
OSIV	0.002
SS	0.017

Gulf Power Company-Specific Capacity Cost Recovery Issues

NONE RAISED BY GULF POWER COMPANY

Dated this 10th day of February, 1994.

Respectfully submitted,



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power Cost)
Recovery Clause with Generating) Docket No. 940001-EI
Performance Incentive Factor)
_____)

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail the 10th day of February, 1994 on the following:

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