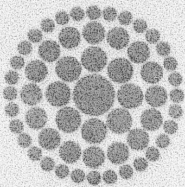


ORIGINAL
FILE COPY



**Florida
Power**
CORPORATION

James A. McGee
SENIOR COUNSEL

January 29, 1993

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

Re: Docket No. 930001-EI

Dear Mr. Tribble:

Enclosed herewith for filing with the Commission in the above-referenced docket are fifteen (15) copies of Florida Power Corporation's Prehearing Statement. Also enclosed is a 3-1/2" diskette containing this file in WordPerfect 5.1 format.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Thank you for your assistance.

Very truly yours,

James A. McGee

ACK _____

AFA 1 _____

APP _____

CAF _____

CMU _____

CTR _____

EAG _____

LEG 1 _____

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OPC _____

RCH _____

SEC 1 _____

WAS _____

OTH _____

JAM:ams

Enclosure

cc: Parties of Record

GENERAL OFFICE: 3201 Thirty-fourth Street South • Post Office Box 14042 • St. Petersburg, Florida 33733 • (813) 899-5184

A Florida Progress Company

DOCUMENT NUMBER - DATE

01129 JAN 29 1993

FPSC-RECORDS/REPORTING

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 930001-EI

Submitted for filing:
January 28, 1993

**PREHEARING STATEMENT OF
FLORIDA POWER CORPORATION**

Florida Power Corporation (FPC), pursuant to Rule 25-22.038, Florida Administrative Code, hereby submits this Prehearing Statement with respect to its levelized fuel and capacity cost recovery factors and its Generating Performance Incentive Factor (GPIF) for the period of April through September, 1993 and states as follows:

A. APPEARANCES

JAMES A. MCGEE, Esquire, Post Office Box 14042, St. Petersburg, FL
33733-4042
On behalf of Florida Power Corporation

B. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Karl H. Wieland	Fuel Adjustment: True-up and Projections	1-9, 12-15
William C. Micklon	GPIF: Reward/Penalty and Targets/Ranges	10 and 11

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

C. EXHIBITS

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
<u>(KHW-1)</u>	Wieland	True-up Variance Analysis
<u>(KHW-2)</u>	Wieland	Schedules A1 through A13
<u>(KHW-3)</u>	Wieland	Forecast Assumptions (Parts A-F)
<u>(KHW-4)</u>	Wieland	Schedules E1 through E11 and H1
<u>(WCM-1)</u>	Micklon	Standard Form GPIF Schedules (Reward/Penalty)
<u>(WCM-2)</u>	Micklon	Standard Form GPIF Schedules (Targets/Ranges)

D. STATEMENT OF BASIC POSITION

None necessary.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Fuel Adjustment Issues

1. ISSUE: What are the appropriate final true-up amounts for the period of April through September 1992?

FPC: \$13,863,288 under-recovery. (Wieland)

2. ISSUE: What are the estimated fuel adjustment true-up amounts for the period of October 1992 through March 1993?

FPC: \$815,209 under-recovery. (Wieland)

3. ISSUE: What are the total true-up amounts to be collected during the period of April through September 1993?

FPC: \$14,678,497 under-recovery. (Wieland)

4. ISSUE: What are the appropriate levelized fuel cost recovery factors for the period of April through September 1993?

FPC: 2.171 cents per kWh - Standard rates*
2.780 cents per kWh - TOU On-Peak rates*
1.854 cents per kWh - TOU Off-Peak rates*

* Before line loss adjustment. (Wieland)

5. ISSUE: What should be the effective date of the new fuel cost recovery factors and oil backout factors, if any, for billing purposes?

FPC: The new factors should be effective beginning with the first billing cycle for April 1993, and thereafter through the last billing cycle for September 1993. The first billing cycle may start before April 1, 1993, and the last billing cycle may end after September 30, 1993, so long as each customer is billed for six months regardless of when the factors became effective.

6. ISSUE: What are the appropriate fuel recovery loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate/delivery voltage level group?

FPC:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Line Loss Multiplier</u>
A.	Transmission	0.9786
B.	Distribution Primary	0.9888
C.	Distribution Secondary	1.0027
D.	Lighting Service	1.0027

(Wieland)

7. **ISSUE:** What are the appropriate fuel cost recovery factors for each rate/delivery voltage level group, adjusted for line losses?

FPC:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Fuel Cost Factors (cents/kWh)</u>		
		<u>Standard</u>	<u>Time Of Use</u>	
			<u>On-Peak</u>	<u>Off-Peak</u>
A.	Transmission	2.125	2.721	1.814
B.	Distribution Primary	2.147	2.749	1.833
C.	Distribution Secondary	2.177	2.788	1.859
D.	Lighting Service	2.033		

(Wieland)

Company-Specific Fuel Adjustment Issues

Florida Power Corporation

8. **ISSUE:** Should the Commission grant FPC's request for approval of an arrangement between Electric Fuels Corporation (EFC) and CSX Transportation, under which EFC will purchase and lease to CSX locomotives for use in conjunction with coal deliveries to FPC?

FPC: If the Commission determines that its decision in Order No. 22401 requires FPC to seek approval at this juncture, approval of EFC's arrangement with CSX should be granted on the basis of the savings that locomotive ownership will provide to FPC's ratepayers.

9. **ISSUE:** Is FPC's request for current recovery of natural gas transportation fixed costs associated with the University of Florida cogeneration project appropriate?

FPC: Yes. These costs have been and will be prudently incurred by FPC in securing firm gas transportation for the University Project and are appropriate for current recovery.

Generic Generating Performance Incentive Factor Issues

10. **ISSUE:** What is the appropriate GPIF reward or penalty for performance achieved during the period of April through September 1992?

FPC: \$1,211,009 reward. (Micklon)

11. **ISSUE:** What should the GPIF targets/ranges be for the period of April through September 1993?

FPC: See Attachment A. (Micklon)

Generic Capacity Cost Recovery Issues

12. **ISSUE:** What is the appropriate final capacity cost recovery true-up amount for the period of April through September 1992?

FPC: None. (Wieland)

13. **ISSUE:** What is the estimated capacity cost recovery true-up amount for the period of October 1992 through March 1993?

FPC: \$1,662,838 under-recovery. (Wieland)

14. **ISSUE:** What is the total capacity cost recovery true-up amount to be collected during the period of April through September 1993?

FPC: \$1,662,838 under-recovery. (Wieland)

15. **ISSUE:** What are the appropriate capacity cost recovery factors for the period of April through September 1993?

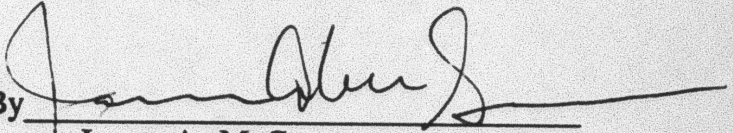
FPC: See Attachment B. (Wieland)

F. **STIPULATED ISSUES:** None at this time.

G. **PENDING MOTIONS:** None.

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By 

James A. McGee
Post Office Box 14042
St. Petersburg, FL 33733-4042
(813) 866-5184

CERTIFICATE OF SERVICE

Docket No. 930001-EI

I HEREBY CERTIFY that a true copy of Florida Power Corporation's Prehearing Statement has been furnished to the following individuals by U.S. Mail this 29th day of January, 1993:

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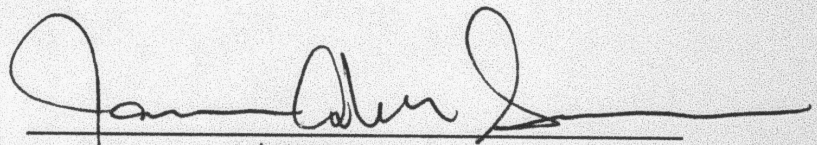
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