

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for a rate) DOCKET NO. 910890-EI
increase by Florida Power) ORDER NO. PSC-92-0290-PCO-EI
Corporation.) ISSUED: 5/5/92
_____)

ORDER ON PREHEARING PROCEDURE

Pursuant to the provisions of Rule 25-22.038(3), Florida Administrative Code, all parties are hereby required, either collectively or individually, to file with the Director of Records and Reporting a prehearing statement on or before June 10, 1992. Each prehearing statement shall set forth the following:

- (a) all known witnesses that may be called and the subject matter of their testimony;
- (b) all known exhibits, their contents, and whether they may be identified on a composite basis and the witness sponsoring each;
- (c) a statement of basic position in the proceeding;
- (d) a statement of each question of fact the party considers at issue and which of the party's witnesses will address the issue;
- (e) a statement of each question of law the party considers at issue;
- (f) a statement of each policy question the party considers at issue and which of the party's witnesses will address the issue;
- (g) a statement of the party's position on each issue identified pursuant to paragraphs (d), (e) and (f) and the appropriate witness;
- (h) a statement of issues that have been stipulated to by the parties;
- (i) a statement of all pending motions or other matters the party seeks action upon; and
- (j) a statement as to any requirement set forth in this order that cannot be complied with, and the reasons therefor.

DOCUMENT NUMBER-DATE

04401 MAY-5 1992

FPSC-RECORDS/REPORTING

The original and fifteen copies of each prehearing statement must be received by the Director of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on June 10, 1992. Failure of a party to timely file a prehearing statement shall be a waiver of any issues not raised by other parties or by the Commission Staff. In addition, such failure shall preclude the party from presenting testimony in favor of his or her position on such omitted issues. Copies of prehearing statements shall also be served on all parties. Prehearing statements shall substantially conform to the Florida Rules of Civil Procedure requirements as to form, signatures, and certificates.

Each party is required to prefile all exhibits and all direct testimony it intends to sponsor in written form. Prefiled testimony shall be typed on standard 8 1/2 x 11 inch transcript quality paper, double spaced, with 25 numbered lines, in question and answer format, with a sufficient left margin to allow for binding. An original and fifteen copies of each witness's prefiled testimony and each exhibit must be received by the Director of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the due date. Failure of a party to timely prefile exhibits and testimony from any witness in accordance with the foregoing requirements may bar admission of such exhibits and testimony. Copies of all prefiled testimony shall also be served by the sponsoring party on all other parties. Florida Power Corporation's prefiled direct testimony has been filed with the Director of Records and Reporting. Direct testimony of Staff, and all Intervenors, must be filed with the Director of Records and Reporting on or before May 29, 1992. Finally, rebuttal testimony, if any, must be filed on or before June 19, 1992.

A final prehearing conference will be held beginning at 10:00 a.m., June 19, 1992, in Room 106, Fletcher Building, 101 East Gaines Street, Tallahassee, Florida. The conditions of Rule 25-22.038(5)(b), Florida Administrative Code, will be met in this case and the following shall apply:

- 1) Any party who fails to attend the final prehearing conference, unless excused by the prehearing officer, will have waived all issues and positions raised in his or her prehearing statement.
- 2) Any issue not raised by a party prior to the issuance of the prehearing order shall be waived by that party, except for good cause shown. A party seeking to raise a new issue after the issuance of the prehearing order

shall demonstrate that: he or she was unable to identify the issue because of the complexity of the matter; discovery or other prehearing procedures were not adequate to fully develop the issues; due diligence was exercised to obtain facts touching on the issue; information obtained subsequent to the issuance of the prehearing order was not previously available to enable the party to identify the issue; and introduction of the issue could not be to the prejudice or surprise of any party. Specific reference shall be made to the information received, and how it enabled the party to identify the issue.

- 3) Unless a matter is not at issue for that party, each party shall diligently endeavor in good faith to take a position on each issue prior to issuance of the prehearing order. When a party is unable to take a position on an issue, he or she shall bring that fact to the attention of the prehearing officer. If the prehearing officer finds that the party has acted diligently and in good faith to take a position, and further finds that the party's failure to take a position will not prejudice other parties or confuse the proceeding, the party may maintain "no position at this time" prior to hearing and thereafter identify his or her position in a post-hearing statement of issues. In the absence of such a finding by the prehearing officer, the party shall have waived the entire issue. When an issue and position have been properly identified, any party may adopt that issue and position in his or her post-hearing statement.

To facilitate the management of documents in this docket, parties and Commission Staff shall submit an exhibit list with their respective prehearing statements. Exhibits will be numbered at the Prehearing Conference. Each exhibit submitted will be numbered at the Prehearing Conference. Each exhibit submitted shall have the following in the upper right-hand corner: the docket number, the witness' name, the word "Exhibit" followed by a blank line for the Exhibit Number, and the title of the exhibit.

An example of the typical exhibit identification format is as follows:

Docket No. 870675-TL
J. Doe Exhibit No. _____
Cost Studies for Minutes Of Use by Time of Day

- 1) It is the policy of the Florida Public Service Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Sections 364.183, 366.093, and 367.156, Florida Statutes, to protect proprietary confidential business information from disclosure outside the proceeding.
- 2) Any party wishing to use any proprietary confidential business information, as that term is defined in Section 364.183, [or 366.093, or 367.156], Florida Statutes, shall notify the Prehearing Officer and all parties of record by the time of the Prehearing Conference, or if not known at that time, no later than seven (7) days prior to the beginning of the hearing. The notice shall include a procedure to assure that the confidential nature of the information is preserved as required by statute.
- 3) Failure of any party to comply with 2) above shall be grounds to deny the party the opportunity to present evidence which is proprietary confidential business information.
- 4) When confidential information is used in the hearing, parties must have copies for the Commissioners, necessary staff, and the Court Reporter, in envelopes clearly marked with the nature of the contents. Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be provided a copy in the same fashion as provided to the Commissioners, subject to execution of any appropriate protective agreement with the owner of the material.
- 5) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise the confidential information. Therefore, confidential information should be presented by written exhibit when reasonably possible to do so.

- 6) At the conclusion of that portion of the hearing that involves confidential information, all copies of confidential exhibits shall be returned to the proffering party. If a confidential exhibit has been admitted into evidence, the copy provided to the Court Reporter shall be retained in the Commission Clerk's confidential files.

The following dates have been established to govern the key activities of this proceeding in order to maintain an orderly procedure:

1. May 29, 1992 - Intervenor's and Staff's Direct Testimony to be filed
2. June 19, 1992 - Rebuttal Testimony to be filed
3. June 10, 1992 - Prehearing Statements to be filed
4. June 19, 1992 - Prehearing Conference
5. July 9 thru 10, - Hearing to be held
July 13 thru 17,
July 20, and
July 22 thru 24, 1992

DISCOVERY PROCEDURES

The hearing in this docket is presently set to begin on July 9, 1992. Unless authorized by the Prehearing Officer for good cause shown, all discovery shall be complete by July 2, 1992. No interrogatories or requests for production of documents shall be served after June 12, 1992. In consideration of the relatively short time from until the hearings in this docket, the deadline for responding to any interrogatories or production of documents sent between May 29, 1992 and June 12, 1992, shall be July 2, 1992, regardless of the time prescribed by rule or statute. Interrogatories and requests for production of documents sent between May 29, 1992 and June 12, 1992, shall be hand delivered to the party to whom the interrogatory or request is directed or served by overnight delivery.

To facilitate identification, all interrogatories, requests for admissions, and requests for production of documents shall be numbered consecutively. Each set of discovery requests shall be numbered sequentially from any previous set.

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Any information provided pursuant to a discovery request for which proprietary confidential business information status is requested shall be treated by the Commission and the parties as confidential. The information shall be exempt from Section 119.07(1), Florida Statutes, pending a formal ruling on such request by the Commission, or upon the return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been used in the proceeding, it shall be returned expeditiously to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of the proceeding, it shall be returned to the person providing the information within the time periods set forth in Section 366.097(2), Florida Statutes.

Attached to this order is a tentative list of the issues which will be addressed in this proceeding. Prefiled testimony and prehearing statements shall be addressed to the issues as numbered in the attached list. Any additional issues that a party may wish to include shall be numbered sequentially after those issues in the attached list. Do not alter the numbers of the attached issues in your prehearing statements.

By ORDER of Commissioner Betty Easley, as Prehearing Officer,
this 5th day of May, 1992.



BETTY EASLEY, Commissioner
and Prehearing Officer

(S E A L)

MAP:bmi

Florida Power Corporation
Docket No. 910890-EI

Draft Staff Issues

RATE BASE

ISSUE I.: Florida Power Corporation's request for permanent rate relief is based on a current test period of calendar year 1992 and a projected test period of calendar year 1993. Is this appropriate?

(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE II.: Is Florida Power's test year Load Forecast of Customers and KWH by Revenue Class, and System KW reasonable?

(Weiland)

STAFF RECOMMENDATION: No position at this time.
(Stallcup)

ISSUE III.: Are Florida Power's forecasted fuel prices for 1992 and 1993 reasonable and prudent?

(Williams)

STAFF RECOMMENDATION: No position at this time.
(Colson, Taylor)

ISSUE IV.: Florida Power has proposed a rate base of \$XXXXXX (\$XXXXXX System) for the 1992 current test year and \$XXXXXX (\$XXXXXX System) for the 1993 projected test year. What is the appropriate level of rate base?

(Scardino)

STAFF RECOMMENDATION: No position at this time
(Slemkewicz)

ISSUE V.: Florida Power has included \$xxxxxxx (\$xxxxxxx System) of plant in service in rate base for the 1992 current test year and \$xxxxxxx (\$xxxxxxx System) for the 1993 projected test year. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE VI.: Is the inclusion of \$60,292,000 (\$89,707,000 System) of new peaking generation at the Debary plant site in rate base in the 1992 current test year prudent?
(Keesler, Barron, Hancock, Phillips, Scardino)

STAFF RECOMMENDATION: No position at this time.
(Futrell)

ISSUE VII.: Is the inclusion of \$830,000 (\$1,301,000 System) of new peaking generation at the Debary plant site in rate base in the 1993 projected test year prudent?
(Keesler, Barron, Hancock, Phillips, Scardino)

STAFF RECOMMENDATION: No position at this time.
(Futrell)

ISSUE VIII.: Is the inclusion of \$72,514,000 (\$113,623,000 System) of new peaking generation at the Intercession plant site in rate base in the 1993 projected test year prudent?
(Keesler, Barron, Hancock, Phillips, Scardino)

STAFF RECOMMENDATION: No position at this time.
(Futrell)

ISSUE IX.: Is the inclusion of \$35,532,000 (\$42,477,000 System) for the new cogeneration project at the University of Florida in rate base in the 1993 projected test year prudent?
(Keesler, Barron, Hancock, Phillips, Scardino)

STAFF RECOMMENDATION: No position at this time.
(Futrell)

ISSUE X.: Is the 1992 capital addition for replacement of the Energy Control Center computer system at a cost of \$20,790,619 (\$26,132,000 System) and corresponding 1992 retirement of \$7,558,200 (\$9,500,000) prudent?
(Scardino, Barron, Phillips)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE XI.: Is the 1992 capital addition of Control Rod Drive Stator at a cost of \$4,761,265 (\$5,154,000 System) for CR3 prudent?
(Scardino, Barron, Phillips)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE XII.: Is the 1992 capital addition of Circulating Water Flow at a cost of \$5,849,501 (\$6,332,000 System) for CR3 prudent?
(Scardino, Barron, Phillips)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE XIII.: Is the 1993 capital addition of the Helper Cooling Towers at a cost of \$76,725,285 (\$83,054,000 System) for CR3 prudent?
(Scardino, Barron, Phillips)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE XIV.: Is the acquisition and inclusion of the electric distribution system of the Sebring Utilities Commission in rate base prudent? (\$15,040,000 jurisdictional, \$15,124,000 System)
(Keesler, Phillips, Scardino)

STAFF RECOMMENDATION: No position at this time.
(Futrell, Colson)

ISSUE XV.: Is the acquisition and inclusion in rate base of Sebring's ownership share of Crystal River 3 prudent? ~~XXXXXXXX~~
(~~XXXXXXXX~~ System)
(Barron)

STAFF RECOMMENDATION: No position at this time.
(Futrell)

ISSUE XVI.: Florida Power has proposed \$xxxxxxx (\$xxxxxxx System) as the proper level of accumulated depreciation to be used for the 1992 current test year and \$xxxxxxx (\$xxxxxxx System) for the 1993 projected test year. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz, Meeks)

ISSUE XVII.: Florida Power has included \$xxxxxxx (\$xxxxxxx System) of construction work in progress in rate base for the 1992 current test year and \$xxxxxxx (\$xxxxxxx System) for the 1993 projected test year. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE XVIII.: Florida Power has included \$xxxxxxx (\$xxxxxxx System) of plant held for future use in its jurisdictional rate base for the 1992 current test year and \$xxxxxxx (\$xxxxxxx System) for the 1993 projected test year. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE XIX.: Is the 1992 amount of Property Held For Future Use for the Avon Park Unit 2 in the amount of \$7,182,000 (\$8,178,000 System) prudent?
(Scardino, Barron, Phillips)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE XX.: Is the 1993 amount of Property Held For Future Use for the Avon Park Unit 2 in the amount of \$7,067,000 (\$8,178,000 System) prudent?
(Scardino, Barron, Phillips)

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STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE XXI.: Florida Power has included \$xxxxxxx (\$xxxxxxx System) of working capital in rate base for the 1992 current test year and \$xxxxxxx (\$xxxxxxx System) for the 1993 projected test year. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE XXII.: Florida Power has included \$14,477,194 (\$16,608,000 System) for heavy oil inventory in the 1992 current test year and \$15,169,323 (\$17,402,000 System) in the 1993 projected test year. Is this appropriate?
(Williams)

STAFF RECOMMENDATION: No position at this time.
(Colson, Taylor)

ISSUE XXIII.: Florida Power has included \$9,671,512 (\$11,095,000 System) for light oil inventory in the 1992 current test year and \$10,976,446 (\$12,592,000 System) in the 1993 projected test year. Is this appropriate?
(Williams)

STAFF RECOMMENDATION: No position at this time.
(Colson, Taylor)

ISSUE XXIV.: Florida Power has included \$31,036,007 (\$35,604,000 System) for coal inventory in the 1992 current test year and \$30,870,384 (\$35,414,000 System) in the 1993 projected test year. Is this appropriate?
(Williams)

STAFF RECOMMENDATION: No position at this time.
(Colson, Taylor)

COST OF CAPITAL

ISSUE XXV.: What is the appropriate cost of common equity capital for Florida Power?
(Seligson)

STAFF RECOMMENDATION: No position at this time.
(Maurey)

ISSUE XXVI.: What is the appropriate balance of accumulated deferred investment tax credits?
(Scardino)

STAFF RECOMMENDATION No position at this time.
(C. Romig)

ISSUE XXVII.: What is the appropriate balance of accumulated deferred taxes?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(C. Romig)

ISSUE XXVIII.: What is the appropriate weighted average cost of capital including the proper components, amounts and cost rates associated with the capital structure for the test year?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Maurey)

NET OPERATING INCOME

ISSUE XXIX.: Are the company's forecasted billing units appropriate?

STAFF RECOMMENDATION:
(Stallcup, Kummer)

ISSUE XXX.: Florida Power has proposed a net operating income of \$XXXXXX (\$XXXXXX System) for the 1992 current test year and \$XXXXXX (\$XXXXXX System) for the 1993 projected test year. What is the appropriate net operating income?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE XXXI.: Florida Power has projected total operating revenues of \$XXXXXX (\$XXXXXX System) for the 1992 current test year and \$XXXXXX (\$XXXXXX System) for the projected test year. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE XXXII.: Florida Power has made certain pro-forma adjustments to annualize the test year non-fuel O&M expenses, depreciation expenses, property taxes, and income taxes associated with the new Debarry and Intercession City Peaking Units, the Crystal River Cooling Towers, and the University of Florida Cogeneration Project. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(C. Romig, Slemkewicz, Meeks)

ISSUE XXXIII.: Florida Power has requested a pension expense of \$XXXXXX (\$XXXXXX System). Is this appropriate?
(Scardino, Peterson)

STAFF RECOMMENDATION: No position at this time.
(Salak, Slemkewicz)

ISSUE XXXIV.: Florida Power has requested an Other Post Employment Benefits expense of \$XXXXXX (\$XXXXXX System). Is this appropriate?
(Scardino, Peterson, Twery)

STAFF RECOMMENDATION: No position at this time.
(Lester, Salak, Slemkewicz)

ISSUE XXXV.: Florida Power has requested a depreciation expense of \$210,428,000 (\$231,898,000 System) for the 1992 current test year and \$226,1098,000 (\$251,178,000 System) for the 1993 projected test year. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Meeks, Slemkewicz)

ISSUE XXXVI.: Florida Power has requested a property insurance reserve of \$XXXXXX (\$XXXXXX System) to reflect a change in scope of its current storm damage reserve to include not only tropical storms and hurricanes but also other destructive acts of nature. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE XXXVII.: Florida Power has requested a fossil fuel plant dismantlement expense of \$XXXXXX (\$XXXXXX System) to reflect the stipulation reached in Order No. 24566. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Neil, Meeks)

ISSUE XXXVIII.: Florida Power has requested a nuclear decommissioning expense of \$XXXXXX (\$XXXXXX System) for the 1992 current test year and \$XXXXXX (\$XXXXXX System) for the 1993 projected test year. Is this appropriate?
(Scardino, Beard)

STAFF RECOMMENDATION: No position at this time.
(Neil, Meeks)

ISSUE XXXIX.: Nuclear Decommissioning Accrual?

STAFF RECOMMENDATION: No position at this time.
(Neil)

ISSUE XL.: What base year should be used to calculate the proper benchmark for O&M expenses?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Ballinger, Slemkewicz)

ISSUE XLI.: What is the appropriate C.P.I. factors to use in determining test year expenses?
(Scardino, Greene)

STAFF RECOMMENDATION: No position at this time?
(Ballinger, Slemkewicz)

ISSUE XLII.: Florida Power has requested that the O&M benchmark be applied to the company as a whole rather than to individual functions within the company. Is this appropriate?
(Keesler, Greene, Scardino)

STAFF RECOMMENDATION: No position at this time.
(Ballinger, Slemkewicz)

ISSUE XLIII.: What adjustments are necessary to reflect a proper benchmark test of expense levels?
(HANCOCK-Fossil & Other Production Plant, Other Power Supply; BEARD-Nuclear Production; PHILLIPS-Transmission, Distribution, Customer Accounts, Customer Service, Sales, Sebring Acquisition; SCARDINO-A&G, Interest on Tax Deficiency)

STAFF RECOMMENDATION: No position at this time.
(Ballinger, Slemkewicz)

ISSUE XLIV.: Florida Power has identified a benchmark variance of \$6,676,254 (\$7,541,233 System) for test year 1992 Fossil Production Scheduled Outage expenses. Is this amount appropriate?
(Hancock)

RECOMMENDATION: No position at this time.
(Shine)

ISSUE XLV.: Are the expenses in excess of the 1992 Nuclear O&M benchmark of \$3,494,503 (\$3,714,000 System) related to Regulatory Driven Programs for Plant Maintenance reasonable and prudent?
(Beard)

STAFF RECOMMENDATION: No position at this time.
(Silvestri)

ISSUE XLVI.: Are the expenses in excess of the 1992 Nuclear O&M benchmark of \$5,984,124 (\$6,360,000 System) related to Management Driven Programs for Plant Maintenance reasonable and prudent?
(Beard)

STAFF RECOMMENDATION: No position at this time.
(Silvestri)

ISSUE XLVII.: Are the expenses in excess of the 1992 Nuclear O&M benchmark of \$3,769,245 (\$4,006,000 System) related to Licensing/Compliance Monitoring for Nuclear O&M reasonable and prudent?
(Beard)

STAFF RECOMMENDATION: No position at this time.
(Silvestri)

ISSUE XLVIII.: Are the expenses in excess of the 1992 Nuclear O&M benchmark of \$176,889 (\$188,000 System) related to Other Regulatory Driven Increases for Nuclear O&M reasonable and prudent?
(Beard)

STAFF RECOMMENDATION: No position at this time.
(Silvestri)

ISSUE XLIX.: Are the expenses in excess of the 1993 Nuclear O&M benchmark of \$1,423,303 (\$1,519,000 System) related to Cooling Towers for Nuclear O&M reasonable and prudent?
(Beard)

STAFF RECOMMENDATION: No position at this time.
(Silvestri)

ISSUE L.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$1,005,382 (\$1,192,198 System) related to Required Regulatory Accounting Changes reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LI.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$4,017,892 (\$4,538,453 System) related to Environmental Changes reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LII.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$996,208 (\$1,125,277 System) related to Occupational and Safety Changes reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.

ISSUE LIII.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$554,411 (\$626,241 System) related to Federal, State, and Local Changes reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LIV.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$1,084,503 (\$1,225,012 System) related to Fuel Inventory Control and Transportation for the Crystal Rivers Coal Plant reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LV.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$3,484,662 (\$3,936,137 System) related to Capacity Demand Expenses and Generation Demand Increases reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LVI.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$1,987,002 (\$2,244,439 System) related to the Aging and Maturation of Florida Power's coal, oil, and natural gas plants reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LVII.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$652,556 (\$737,101 System) related to material technology (plant life extension) programs reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LVIII.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$804,630 (\$908,878 System) related to increased costs for dredging, painting, and store room parts reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LIX.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$274,260 (\$309,793 System) related to increased costs for security guard service reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LX.: Are the expenses in excess of the 1992 Fossil Production O&M benchmark of \$2,134,481 (\$2,418,949 System) related to Required Regulatory Accounting Changes reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LXI.: Are the projected Fossil Production O&M expenses for 1993 of \$3,376,549 (\$3,826,552 System) associated with the new peaking units at Intercession City and the University of Florida reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LXII.: Are other Fossil Production expenses for 1993 of \$100,881 (\$114,326 System) associated with Florida Power's new capacity additions reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LXIII.: Are Fossil Production expenses for 1993 of \$344,136 (\$390,000 System) associated with first time outage costs at the Rio Pinar and Port St. Joe units reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LXIV.: Are the expenses in excess of the 1993 Fossil Production O&M benchmark of \$395,922 (\$448,688 System) related to increases in steam unit operation reasonable and prudent?

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LXV.: Are the expenses in excess of the 1993 Fossil Production O&M benchmark of \$689,419 (\$781,300 System) related to the Aging and Maturation of Florida Power's coal, oil, and gas plants reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LXVI.: Are the expenses in excess of the 1993 Fossil Production O&M benchmark of \$1,552,809 (\$1,759,756 System) related to structural maintenance and system wide aging projects reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LXVII.: Are the expenses in excess of the 1993 Fossil Production O&M benchmark of \$235,566 (\$266,960 System) related to increased costs for painting and miscellaneous plant projects reasonable and prudent?
(Hancock)

STAFF RECOMMENDATION: No position at this time.
(Haff)

ISSUE LXVIII.: Are Florida Power's budgeted industry association dues in the amount of \$7,373,000 (~~\$xxxxxxx~~ System) during the 1992 current test year and \$7,765,000 (~~\$xxxxxxx~~ System) during the 1993 projected test year reasonable and prudent?
(Scardino, Slusser, Hancock, Beard, Greene)

STAFF RECOMMENDATION: No position at this time.
(Colson, Taylor)

ISSUE LXIX.: What amount has Florida Power budgeted to fund the EEI Utility Waste Management Group and is this amount reasonable and prudent?
(Scardino, Beard)

STAFF RECOMMENDATION: No position at this time.
(Colson, Taylor)

ISSUE LXX.: What is the appropriate amount of rate case expense to be allowed in operating expenses?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE LXXI.: What is the appropriate amount of rate case expense to be allowed in operating expenses?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE LXXII.: What is the proper treatment of gross receipts tax?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE LXXIII.: What is the appropriate amount of income tax expense?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(C. Romig)

ISSUE LXXIV.: What is the proper interest synchronization adjustment?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(C. Romig)

REVENUE EXPANSION FACTOR

ISSUE LXXV.: What is the appropriate revenue expansion factor?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

REVENUE REQUIREMENTS

ISSUE LXXVI.: Florida Power has requested an annual operating revenue increase of \$108,096,000 for the 1992 current test year and an additional \$37,757,000 for the 1993 projected test year. Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE LXXVII.: Florida Power has requested a performance reward of \$9,669,000 for the 1992 current test year and an additional \$321,000 for the 1993 projected test year.
(Keesler, Scardino, McCoy, Phillips, Barron, Nixon, Greene)

STAFF RECOMMENDATION: No position at this time.
(Ballinger, Maurey)

ISSUE LXXVIII.: Should Florida Power be rewarded because of its rates in comparison to other utilities?
(Greene)

STAFF RECOMMENDATION: No position at this time.
(Kummer)

ISSUE LXXIX.: Should Florida Power be rewarded because of its fuel mix?
(Greene)

STAFF RECOMMENDATION: No position at this time.
(Shea)

ISSUE LXXX.: Should Florida Power be rewarded because of its management of the operation and maintenance of its generating facilities?
(Greene)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE LXXXI.: Should Florida Power be rewarded because of its power plant reliability?
(Greene)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE LXXXII.: Should Florida Power be rewarded because of its energy efficiency programs?
(Greene)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE LXXXIII.: Has Florida Power prudently pursued cost-effective energy (KWH) conservation?
(Barron)

STAFF RECOMMENDATION: No position at this time. (Futrell)

ISSUE LXXXIV.: Should Florida Power be rewarded because of its environmental awareness?
(Greene)

STAFF RECOMMENDATION:
(Ballinger)

ISSUE LXXXV.: Should Florida Power be rewarded because of its customer service?
(Greene)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE LXXXVI.: Should Florida Power be rewarded because of its transmission and distribution reliability?
(Greene)

STAFF RECOMMENDATION: No position at this time.
(Ballinger)

ISSUE LXXXVII.: Should Florida Power be rewarded because of its bond ratings?
(Greene)

STAFF RECOMMENDATION: No position at this time.
(Maurey)

ISSUE LXXXVIII.: Should any portion of the \$XXXXXX interim increase granted by Order No. XXXXXX be refunded?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Slemkewicz)

ISSUE LXXXIX.: Florida Power requests that new rates become effective as follows:

1. April, 1992 Fuel and Energy Conservation
2. May, 1992 Interim Increase - Test year ending 11/30/91
3. November, 1992 Fuel and Energy Conservation
Permanent Increase - 1992 Test Year
4. April, 1993 Permanent Decrease (General) - 1993 Test Year
Fuel and Energy Conservation
Permanent Increase (Cooling Towers) - 1993 Test Year
5. November, 1993 Fuel and Energy Conservation
Permanent Increase (Intercession City Peakers/University of Florida Project) - 1993 Test Year

Is this appropriate?
(Scardino)

STAFF RECOMMENDATION: No position at this time.
(Kummer)

COST OF SERVICE & RATE DESIGN

ISSUE XC.: Are the company's estimated revenues for sales of electricity based upon reasonable estimates of customers, KW, and KWH billing determinants by rate class?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Stallcup, Delafave)

ISSUE XCI.: What is the appropriate cost of service methodology to be used in designing the rates of Florida Power?
(Slusser)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE XCII.: Are Florida Power's separation of amounts for wholesale and retail jurisdictions appropriate?
(Slusser)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE XCIII.: Is the company's proposed general service rate structure which eliminates mandatory demand billing for customers of 50 MW or more and a minimum billing demand and which allows customers to elect the general service rate schedule (GS or GSD) which is more cost-effective for them appropriate?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE XCIV.: Should the general service large demand rate schedules (GSLD and GSLDT) be eliminated?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE XCV.: Should the transition rate provision on the general service demand and general service large demand rate schedules (GSD, GSDT, GSLD, and GSLDT) be eliminated?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE XCVI.: Should the municipal service transition rate schedule (MS) be eliminated?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE XCVII.: Is the company's proposal to lower the minimum amount of load subject to curtailment from 200 to 25 KW reasonable?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE XCVIII.: Should the interruptible and curtailable service rate schedule charges be based on costs assigned to the classes in the cost of service study as though they were receiving firm service and provide a credit based on the avoided cost of capacity as proposed by the company?
(Slusser, Nixon)

STAFF RECOMMENDATION: No position at this time.
(Meerer)

ISSUE XCIX.: Should the outdoor lighting (OL) and street lighting (SL) rate schedules be combined into a single rate schedule LS-1?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE C.: How should the revenue increase be allocated among classes? (including RS and GS rates being set on the combined classes' rate of return and rates being set equal)
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Kummer)

ISSUE CI.: An increase in revenues will increase unbilled revenues. Is the method used by the utility for calculating the increase in unbilled revenues by rate class appropriate?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Delafave)

ISSUE CII.: What are the appropriate service charge levels?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Delafave)

ISSUE CIII.: What is the appropriate time-of-use rate design?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Kummer)

ISSUE CIV.: Should the interruptible time-of-use (IST) differentiate only fuel charges by time period?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Kummer)

ISSUE CV.: What are the appropriate customer charges?

STAFF RECOMMENDATION: No position at this time.
(Delafave)

ISSUE CVI.: What are the appropriate contributions-in-aid-of-construction for time-of-use customers opting to make a lump sum payment for a time-of-use meter in lieu of the high time-of-use customer charge?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Delafave)

ISSUE CVII.: How should the general service demand and energy charges be set?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE CVIII.: What are the appropriate delivery voltage credits?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Delafave)

ISSUE CIX.: Should the general service nondemand service rate schedules (GS and GST) provide for a distribution voltage credit and a distribution metering credit?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Delafave)

ISSUE CX.: What are the appropriate lighting rate schedule charges?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE CXI.: What is the appropriate fixed carrying charge for additional voltages, additional facilities and poles of a type not listed on rate schedule LS-1?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE CXII.: What is the appropriate fixed carrying charge for lighting fixtures of a type not listed on rate schedule LS-1?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE CXIII.: Is the company's forecast of customer migration due to rate structure changes reasonable?
(Nixon, Slusser)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE CXIV.: Is the company's proposed methodology for determining cost effectiveness levels of non-firm load appropriate?
(Nixon)

STAFF RECOMMENDATION: No position at this time. (Kummer, Shine)

ISSUE CXV.: What is the appropriate level of demand credit for interruptible service?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Kummer, Shine)

ISSUE CXVI.: Should the level of interruptible credit for IS and CS increase over time?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Kummer, Shine)

ISSUE CXVII.: What is the appropriate determination of interruptible demand for the IS and CS rate classes?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE CXVIII.: Should the statement of the interruptible rate at primary voltage be changed to secondary voltage?

STAFF RECOMMENDATION: No position at this time.
(Delafave)

ISSUE CXIX.: Should the company's proposal to make the emergency purchase power provision of the interruptible service rate schedule mandatory be approved?

(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE CXX.: Should the company's proposal to make the purchase power costs an additional charge in lieu of the otherwise applicable fuel charge plus 3.0 mills be approved?

(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE CXXI.: How should the credits for interruptible and curtailable customers be recovered from the ratepayers? (includes whether through base rates or ECCR and if through ECCR, how it would be recovered from various rate classes)

(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE CXXII.: Is the design of the standby service charges and credit appropriate?

(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

ISSUE CXXIII.: Is the design of the interruptible standby service charges and credit appropriate?

(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Meeter)

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ISSUE CXXIV.: How does the proposed increase impact FPC's rates relative to other similarly situated utilities in the state and in the southeast?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Wheeler)

ISSUE CXXV.: If the company's proposed performance reward is approved, how should it be recovered?
(Nixon)

STAFF RECOMMENDATION: No position at this time.
(Kummer)