

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. | DOCKET NO. 080001-EI
ORDER NO. PSC-08-0726-PHO-EI
ISSUED: October 31, 2008

Pursuant to Notice and in accordance with Rule 28-106.209, Florida Administrative Code (F.A.C.), a Prehearing Conference was held on October 20, 2008, in Tallahassee, Florida, before Commissioner Katrina J. McMurrian, as Prehearing Officer.

APPEARANCES:

R. WADE LITCHFIELD, ESQUIRE, and JOHN T. BUTLER, ESQUIRE, 700 Universe Boulevard, Juno Beach, Florida 33408
On behalf of Florida Power & Light Company (FPL).

NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello & Self, P. A., Post Office Box 15579, Tallahassee, Florida 32317
On behalf of Florida Public Utilities Company (FPUC).

JEFFREY A. STONE, ESQUIRE, RUSSELL A. BADDERS, ESQUIRE and STEVEN GRIFFIN, ESQUIRE, Beggs & Lane, Post Office Box 12950, Pensacola, Florida 32591-2950
On behalf of Gulf Power Company (GULF).

JOHN T. BURNETT, ESQUIRE, Progress Energy Service Company, LLC, 100 Central Avenue, St. Petersburg, Florida 33701-3323 and GARY PERKO, ESQUIRE
On behalf of Progress Energy Florida, Inc. (PEF).

JAMES D. BEASLEY, ESQUIRE and LEE L. WILLIS, ESQUIRE, Ausley & McMullen, Post Office Box 391, Tallahassee, Florida 32302
On behalf of Tampa Electric Company (TECO).

JOHN W. MCWHIRTER, JR., ESQUIRE, McWhirter, Reeves & Davidson, P. A., Post Office Box 3350, Tampa, Florida 33601-3350
On behalf of Florida Industrial Power Users Group (FIPUG).

MICHAEL B. TWOMEY, ESQUIRE, Post Office Box 5256, Tallahassee, Florida 32314-5256
On behalf of AARP.

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ROBERT SCHEFFEL WRIGHT, ESQUIRE, Young van Assenderp, P.A., 225 South Adams Street, Suite 200, Tallahassee, Florida 32301
On behalf of Florida Retail Federation (FRF).

CECILIA BRADLEY, ESQUIRE, Office of the Attorney General, The Capitol – PL01, Tallahassee, Florida 32399-1050
On behalf of the Citizens of Florida (OAG).

PATRICIA A. CHRISTENSEN, ESQUIRE, STEVEN C. BURGESS, ESQUIRE, and JOSEPH A. MCGLOTHLIN, ESQUIRE, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida (OPC).

JAMES W. BREW, ESQUIRE, Brickfield, Burchette, Ritts & Stone, P.C., 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower, Washington, DC 20007
On behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate).

SHAYLA L. MCNEILL, CAPTAIN, KAREN S. WHITE, AFCESA/ULT, 139 Barnes Drive, Suite 1, Tyndall Air Force Base, FL 32403-5319
On behalf of Federal Executive Agencies (FEA).

LISA C. BENNETT, ESQUIRE, JEAN E. HARTMAN, ESQUIRE, and KEINO YOUNG, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission (Staff).

PREHEARING ORDER

I. CASE BACKGROUND

As part of the continuing fuel and purchased power adjustment and generating performance incentive clause proceedings, an administrative hearing will be held by the Public Service Commission on November 4-6, 2008. The Commission will address those issues listed in this prehearing order. The commission has the option to render a bench decision on any or all of the issues listed below.

II. CONDUCT OF PROCEEDINGS

Pursuant to Rule 28-106.211, F.A.C., this Prehearing Order is issued to prevent delay and to promote the just, speedy, and inexpensive determination of all aspects of this case.

III. JURISDICTION

This Commission is vested with jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.). This hearing will be governed by said Chapter and Chapters 25-22, and 28-106, F.A.C., as well as any other applicable provisions of law.

IV. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

Information for which proprietary confidential business information status is requested pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., shall be treated by the Commission as confidential. The information shall be exempt from Section 119.07(1), F.S., pending a formal ruling on such request by the Commission or pending return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been made a part of the evidentiary record in this proceeding, it shall be returned to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of this proceeding, it shall be returned to the person providing the information within the time period set forth in Section 366.093, F.S. The Commission may determine that continued possession of the information is necessary for the Commission to conduct its business.

It is the policy of this Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 366.093, F.S., to protect proprietary confidential business information from disclosure outside the proceeding. Therefore, any party wishing to use any proprietary confidential business information, as that term is defined in Section 366.093, F.S., at the hearing shall adhere to the following:

- (1) When confidential information is used in the hearing, parties must have copies for the Commissioners, necessary staff, and the court reporter, in red envelopes clearly marked with the nature of the contents and with the confidential information highlighted. 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.
- (2) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise confidentiality. Therefore, confidential information should be presented by written exhibit when reasonably possible.

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 Office of Commission Clerk's confidential files. If such material is admitted into the evidentiary record at hearing and is not otherwise subject to a request for confidential classification filed with the Commission, the source of the information must file a request for confidential classification of the information within 21 days of the conclusion of the hearing, as set forth in Rule 25-22.006(8)(b), F.A.C., if continued confidentiality of the information is to be maintained.

V. PREFILED TESTIMONY AND EXHIBITS; WITNESSES

Testimony of all witnesses to be sponsored by the parties (and Staff) has been prefiled and will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and associated exhibits. All testimony remains subject to timely and appropriate objections. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. Each witness will have the opportunity to orally summarize his or her testimony at the time he or she takes the stand. Summaries of testimony shall be limited to five minutes.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer. After all parties and Staff have had the opportunity to cross-examine the witness, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

The Commission frequently administers the testimonial oath to more than one witness at a time. Therefore, when a witness takes the stand to testify, the attorney calling the witness is directed to ask the witness to affirm whether he or she has been sworn.

VI. ORDER OF WITNESSES

As a result of discussions at the prehearing conference, each witness whose name is followed by an asterisk (*) may be excused from this hearing if no Commissioner seeks to cross-examine the particular witness. Parties will be notified as to whether any such witness shall be required to be present at hearing. The testimony of excused witnesses will be inserted in the record as though read, and all exhibits submitted with those witnesses' testimony, as shown in Section IX of this Prehearing Order, shall be identified and admitted in the record.

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
<u>Direct</u>		
G. YUPP	FPL	1-3, 5, 13A, 13B, 13H
T.O. JONES	FPL	1-3, 5, 13C
K.M. DUBIN	FPL	1-11, 13C-G, 13I, 23-28, 30A-B

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
*F. IRIZARRY	FPL	17, 18
CHERYL MARTIN	FPUC	1
CURTIS D. YOUNG	FPUC	2-11
PANEL TESTIMONY OF CURTIS D. YOUNG AND MARK CUTSHAW	FPUC	14A
H.R. BALL	GULF	1, 2, 10, 11, 15A, 15B, 23, 24, 26, 27
RHONDA J. MARTIN (Testimony and exhibits adopted by R.W. Dodd)	GULF	
R.W. DODD	GULF	1-11, 23-28
*L.S. NOACK	GULF	17, 18
CARLOS ALDAZABAL	TECO	1-11, 16D-F, 23-28
*DAVID KNAPP (Testimony and exhibits adopted by Brian S. Buckley)	TECO	17, 18
*BRIAN S. BUCKLEY	TECO	17, 18
BENJAMIN F. SMITH	TECO	5, 22, 16A, 16B
JOANN T. WEHLE	TECO	5, 16A, 16B
WILL GARRETT	PEF	1, 23, 29A
JOSEPH MCCALLISTER	PEF	12A, 12B
*ROBERT M. OLIVER	PEF	17-18
MARCIA OLIVIER	PEF	2-11, 24-28, 29A
<u>Intervenor</u>		
HUGH LARKIN, JR.	OPC	13C

Rebuttal

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
WILLIAM AVERA	FPL	13C
KOREL DUBIN	FPL	13C

VII. BASIC POSITIONS

FPL: The Commission should approve FPL's fuel and capacity cost recovery factors, projections and true-ups, as well as the GPIF rewards, penalties and targets and the generation base rate adjustments for Turkey Point Unit 5 and West County Units 1 and 2. All of these calculations are based upon actual, legitimate and prudent historical data and reasonable projections of future data. As part of those costs, FPL should be permitted to recover the incremental O&M costs associated with operating its combined cycle and conventional steam units to make non-separated off-system sales, consistent with the treatment of those costs by other utilities and with FPL's present treatment of off-system sales from gas turbine units.

The Commission should reject the position taken by the Office of Public Counsel and others that FPL should be required to refund \$6.2 million in replacement power costs associated with the drilled hole in the pressurizer piping at Turkey Point Unit 3. There is no evidence that the drilled hole resulted from any imprudence on FPL's part or that FPL could have reasonably foreseen and acted to prevent it. To require a refund of replacement power costs in the absence of imprudence would be unjust and unreasonable for many reasons, including the following: (1) it would contradict a long line of established Commission and utility ratemaking precedent, thus fundamentally changing the regulatory paradigm with no notice or legitimate explanation for the change; (2) it would increase the perceived risk of operating electric utilities in Florida, which in turn would increase the cost of capital to FPL that customers must support through rates; and (3) it would act as a disincentive to future investments in nuclear and any other renewable electric generating technologies that have low fuel or energy costs relative to the cost of replacement power. In short, while couched as a customer-favoring approach, OPC's position would have exactly the opposite effect, harming customers by increasing costs and discouraging environmentally friendly generation investments for years to come.

FPUC: FPU has properly projected its costs and calculated its true-up amounts and purchased power cost recovery factors. Those amounts and factors should be approved by the Commission.

GULF: It is the basic position of Gulf Power Company that the fuel and capacity cost recovery factors proposed by the Company present the best estimate of Gulf's fuel and capacity expense for the period January 2009 through December 2009 including the true-up calculations, GPIF and other adjustments allowed by the Commission.

PEF: None necessary.

TECO: The Commission should approve Tampa Electric's calculation of its fuel adjustment, capacity cost recovery and GPIF true-up and projection calculations, including the proposed fuel adjustment factor of 6.766 cents per kWh before any application of time of use multipliers for on-peak or off-peak usage; the proposed average capacity cost recovery factor of 0.467 cents per KWH during the period January through April 2009 and modified factors that reflect rate design changes, to be effective coincident with the effective date of base rate modifications proposed in Docket No. 080317-EI; a GPIF penalty of \$849,634 and approval of the company's proposed GPIF targets and ranges for the forthcoming period based on the methodology agreed to by staff and intervenors in 2006. Tampa Electric also requests approval of its calculated wholesale incentive benchmark of \$816,969 for calendar year 2009.

FIPUG: As a matter of general principle FIPUG contends that it would be in the interest of energy efficiency for the Commission to identify all fixed and non volatile costs presently incorporated in the fuel clause and to require utilities to segregate these costs in fuel cost recovery dockets for appropriate action.

The 2009 utility fuel costs sought in pending petitions are substantially overstated as a result of the change in fuel cost between the August and September filings and the present date. The utilities should be directed to forthwith update their fuel cost projections for 2009.

AARP: AARP adopts the basic position of the Office of Public Counsel.

FRF: The FRF agrees with the Citizens of the State of Florida that FPL should be required to refund the \$6.2 million in replacement power cost that resulted from an act of vandalism at Turkey Point Unit 3. The vandalism was perpetrated on FPL property by a person employed by a contractor hired by FPL to perform work on that property. It is clearly unfair, unjust and unreasonable to require customers to pay the cost resulting from the vandalism. Consistent with the statutory prohibition against imposing costs on customers that are unfair, unjust, or unreasonable, and recognizing that these costs were caused by an employee of an FPL-hired contractor, the Commission should require FPL to refund the \$6.2 million, with interest, to its customers.

The FRF also agrees with FIPUG that it is likely that the utilities' fuel cost projections for 2009, and possibly for the last quarter of 2008, are overstated in the utilities' filings, and accordingly, the FRF supports FIPUG's request that the utilities be required to update their fuel cost projections.

OAG: The office of the Attorney General adopts the Prehearing Statement of the Public Counsel.

OPC: At this point, the only issue in contention is whether FPL should be required to refund the \$6.2 million in replacement power cost that resulted from an act of vandalism at Turkey Point Unit 3. The vandalism was perpetrated on FPL property by a person employed by a contractor hired by FPL to perform work on that property. It is clearly unfair, unjust and unreasonable to require customers to pay the cost resulting from the vandalism. Florida Statutes prohibit any charge to customers that is unfair, unjust or unreasonable. Consistent with this statutory prohibition, the Commission should require FPL to refund the \$6.2 million, with interest, to its customers.

PCS

Phosphate: PCS Phosphate generally accepts and adopts the positions taken by the Florida Office of Public Counsel ("OPC") with respect to the fuel costs sought to be recovered by Progress Energy Florida ("Progress").

FEA: No position.

STAFF: Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions.

VIII. ISSUES AND POSITIONS

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 1: What are the appropriate fuel adjustment true-up amounts for the period January 2007 through December 2007?

POSITION:

FPL: \$121,036,106 under-recovery.

FPUC: Marianna: \$442,219 (overrecovery)
Fernandina Beach: \$949,245 (overrecovery)

GULF: Under recovery \$13,300,934 (GARRETT)

PEF: \$16,807,029 under-recovery

TECO: \$21,121,127 under-recovery.

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 2: What are the appropriate fuel adjustment true-up amounts for the period January 2008 through December 2008?

POSITION:

FPL: \$296,048,402 under-recovery. (DUBIN)

FPUC: Marianna: \$629,876 (underrecovery)
Fernandina Beach: \$1,405,110 (underrecovery)

GULF: Under recovery \$34,672,595. (BALL, DODD)

PEF: \$129,347,835 under-recovery. (OLIVIER)

TECO: \$111,761,811 under-recovery. (ALDAZABAL)

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position

STAFF: For PEF, the 2008 final true-up amount will be subject to further review based on the Commission's decision in Docket No. 070703-EI and pursuant to Order No. PSC-07-0816-FOF-EI, issued October 10, 2007, in Docket No. 060658.

For FPL, GULF, TECO, and FPUC, staff takes no position.

ISSUE 3: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2009 to December 2009?

POSITION:

FPL: \$296,048,402 under-recovery. (DUBIN)

FPUC: Marianna: \$187,657 (collected)
Fernandina Beach: \$455,865 (collected)

GULF: Collection of \$47,973,529. (DODD)

PEF: \$146,154,866 under-recovery (OLIVIER)

TECO: \$132,882,938 under-recovery. (ALDAZABAL)

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 4: *Proposed stipulation, see Section X.*

ISSUE 5: What are the appropriate projected net fuel and purchased power cost recovery amounts to be included in the recovery factor for the period January 2009 through December 2009?

POSITION:

FPL: \$7,027,720,757. (DUBIN)

FPUC: Marianna: \$20,468,423
Fernandina Beach: \$36,928,924

GULF: \$683,661,231. (DODD)

PEF: \$2,691,843,085 (OLIVIER)

TECO: The projected net fuel and purchased power cost recovery amount to be included in the recovery factor for the period January 2009 through December 2009, adjusted by the jurisdictional separation factor, is \$1,217,300,982. The total recoverable fuel and purchased power cost recovery amount to be collected, including the true-up and GPIF and adjusted for the revenue tax factor, is \$1,350,306,418. (ALDAZABAL, SMITH, WEHLE)

FIPUG: Utility fuel costs were substantially overstated in their petitions as a result of the change in fuel cost between the August and September filings and the present date. The utilities should be directed to forthwith update their fuel cost projections for 2009.

AARP: No position.

FRF: The FRF agrees with FIPUG that it is likely that the utilities' fuel cost projections for 2009, and possibly for the last quarter of 2008, are overstated in the utilities' filings, and accordingly, the FRF supports FIPUG's request that the utilities be required to update their fuel cost projections.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 6: What are the appropriate levelized fuel cost recovery factors for the period January 2009 through December 2009?

POSITION:

FPL: 6.744 cents/kWh for January through May 2009, 6.603 cents/kWh for June through October 2009, 6.475 cents/kWh for November-December 2009. (DUBIN)

FPUC: Marianna: 6.411¢/kwh
Fernandina: 6.419¢/kwh

GULF: 5.728 cents/kWh. (DODD)

PEF: 6.616 cents per kWh (adjusted for jurisdictional losses). (OLIVIER)

TECO: The appropriate factor is 6.754 cents per kWh before the application of line loss multipliers or time of use multipliers for on-peak or off-peak usage. (ALDAZABAL)

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

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ISSUE 7: *Proposed stipulation, see Section X.*

ISSUE 8: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

POSITION:

FPL: *See tables on following pages.*

FLORIDA POWER & LIGHT COMPANY
 FUEL RECOVERY FACTORS - BY RATE GROUP
 (ADJUSTED FOR LINE/TRANSFORMATION LOSSES)

JANUARY 2009 - MAY 2009

(1) GROUP	(2) RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) FUEL RECOVERY FACTOR
A	RS-1 first 1,000 kWh	6.744	1.00183	6.413
	All additional kWh	6.744	1.00183	7.413
A	GS-1, SL-2, GSCU-1, WIES-1	6.744	1.00183	6.757
A-1*	SL-1, OL-1, PL-1	6.569	1.00183	6.581
B	GSD-1	6.744	1.00178	6.756
C	GSLD-1 & CS-1	6.744	1.00078	6.750
D	GSLD-2, CS-2, OS-2 & MET	6.744	0.99318	6.698
E	GSLD-3 & CS-3	6.744	0.95923	6.469
A	RST-1, GST-1 ON-PEAK	7.546	1.00183	7.559
	OFF-PEAK	6.383	1.00183	6.395
B	GSDT-1, CILC-1(G), ON-PEAK	7.546	1.00177	7.559
	HLFT-1 (21-499 kW) OFF-PEAK	6.383	1.00177	6.394
C	GSLDT-1, CST-1, ON-PEAK	7.546	1.00093	7.553
	HLFT-2 (500-1,999 kW) OFF-PEAK	6.383	1.00093	6.389
D	GSLDT-2, CST-2, ON-PEAK	7.546	0.99481	7.506
	HLFT-3 (2,000+) OFF-PEAK	6.383	0.99481	6.350
E	GSLDT-3, CST-3, ON-PEAK	7.546	0.95923	7.238
	CILC -1(T) OFF-PEAK & ISST-1(T)	6.383	0.95923	6.123
F	CILC -1(D) & ON-PEAK	7.546	0.99371	7.498
	ISST-1(D) OFF-PEAK	6.383	0.99371	6.343

* WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK

FLORIDA POWER & LIGHT COMPANY

FUEL RECOVERY FACTORS - BY RATE GROUP
(ADJUSTED FOR LINE/TRANSFORMATION LOSSES)

JUNE 2009 - OCTOBER 2009

(1) GROUP	(2) RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) FUEL RECOVERY FACTOR
A	RS-1 first 1,000 kWh	6.603	1.00183	6.272
	All additional kWh	6.603	1.00183	7.272
A	GS-1, SL-2, GSCU-1, WIES-1	6.603	1.00183	6.615
A-1*	SL-1, OL-1, PL-1	6.428	1.00183	6.440
B	GSD-1	6.603	1.00178	6.615
C	GSLD-1 & CS-1	6.603	1.00078	6.608
D	GSLD-2, CS-2, OS-2 & MET	6.603	0.99318	6.558
E	GSLD-3 & CS-3	6.603	0.95923	6.334
A	RST-1, GST-1 ON-PEAK	7.405	1.00183	7.418
	OFF-PEAK	6.242	1.00183	6.253
B	GSDT-1, CILC-1(G), ON-PEAK	7.405	1.00177	7.418
	HLFT-1 (21-499 kW) OFF-PEAK	6.242	1.00177	6.253
C	GSLDT-1, CST-1, ON-PEAK	7.405	1.00093	7.411
	HLFT-2 (500-1,999 kW) OFF-PEAK	6.242	1.00093	6.248
D	GSLDT-2, CST-2, ON-PEAK	7.405	0.99481	7.366
	HLFT-3 (2,000+) OFF-PEAK	6.242	0.99481	6.209
E	GSLDT-3, CST-3, ON-PEAK	7.405	0.95923	7.103
	CILC -1(T) OFF-PEAK & ISST-1(T)	6.242	0.95923	5.987
F	CILC -1(D) & ON-PEAK	7.405	0.99371	7.358
	ISST-1(D) OFF-PEAK	6.242	0.99371	6.203

* WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK

FLORIDA POWER & LIGHT COMPANY

FUEL RECOVERY FACTORS - BY RATE GROUP
(ADJUSTED FOR LINE/TRANSFORMATION LOSSES)

NOVEMBER 2009 - DECEMBER 2009

(1) GROUP	(2) RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) FUEL RECOVERY FACTOR
A	RS-1 first 1,000 kWh	6.475	1.00183	6.144
	All additional kWh	6.475	1.00183	7.144
A	GS-1, SL-2, GSCU-1, WIES-1	6.475	1.00183	6.487
A-1*	SL-1, OL-1, PL-1	6.300	1.00183	6.312
B	GSD-1	6.475	1.00178	6.487
C	GSLD-1 & CS-1	6.475	1.00078	6.480
D	GSLD-2, CS-2, OS-2 & MET	6.475	0.99318	6.431
E	GSLD-3 & CS-3	6.475	0.95923	6.211
A	RST-1, GST-1 ON-PEAK	7.277	1.00183	7.290
	OFF-PEAK	6.114	1.00183	6.125
B	GSDT-1, CILC-1(G), ON-PEAK	7.277	1.00177	7.289
	HLFT-1 (21-499 kW) OFF-PEAK	6.114	1.00177	6.125
C	GSLDT-1, CST-1, ON-PEAK	7.277	1.00093	7.283
	HLFT-2 (500-1,999 kW) OFF-PEAK	6.114	1.00093	6.120
D	GSLDT-2, CST-2, ON-PEAK	7.277	0.99481	7.239
	HLFT-3 (2,000+) OFF-PEAK	6.114	0.99481	6.082
E	GSLDT-3, CST-3, ON-PEAK	7.277	0.95923	6.980
	CILC -1(T) OFF-PEAK & ISST-1(T)	6.114	0.95923	5.865
F	CILC -1(D) & ON-PEAK	7.277	0.99371	7.231
	ISST-1(D) OFF-PEAK	6.114	0.99371	6.075

* WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK

FLORIDA POWER & LIGHT COMPANY

DETERMINATION OF SEASONAL DEMAND TIME OF USE RIDER (SDTR)
 FUEL RECOVERY FACTORS

ON PEAK: JUNE 2009 THROUGH SEPTEMBER 2009 - WEEKDAYS 3:00 PM TO 6:00 PM
 OFF PEAK: ALL OTHER HOURS

(1) GROUP	(2) OTHERWISE APPLICABLE RATE SCHEDULE	(3) AVERAGE FACTOR	(4) FUEL RECOVERY LOSS MULTIPLIER	(5) SDTR FUEL RECOVERY FACTOR	
B	GSD(T)-1	ON-PEAK	7.394	1.00178	7.407
		OFF-PEAK	6.354	1.00178	6.365
C	GSLD(T)-1	ON-PEAK	7.394	1.00084	7.400
		OFF-PEAK	6.354	1.00084	6.359
D	GSLD(T)-2	ON-PEAK	7.394	0.99488	7.356
		OFF-PEAK	6.354	0.99488	6.321

Note: All other months served under the otherwise applicable rate schedule.
 See Schedule E-1E, Page 1 of 2.

(DUBIN)

FPUC:

Marianna:

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	\$.10395
GS	\$.10266
GSD	\$.09825
GSLD	\$.09416
OL, OL1	\$.08118
SL1, SL2 and SL3	\$.08179
Step Rate for RS	
RS with less than 1,000 kWh/month	\$.10093
RS with more than 1,000 kWh/month	\$.11093

Fernandina:

<u>Rate Schedule</u>	<u>Adjustment</u>
RS	\$.08965
GS	\$.08801
GSD	\$.08447
GSLD	\$.08502
OL	\$.06839
SL	\$.06841
Step Rate for RS	
RS with less than 1,000 kWh/month	\$.08697
RS with more than 1,000 kWh/month	\$.09697

GULF: See table below: (DODD)

Group	Rate Schedules*	Line Loss Multipliers	Fuel Cost Factors ¢/KWH		
			Standard	Time of Use	
				On-Peak	Off-Peak
A	RS, RSVP,GS, GSD, GSDT, GSTOU, OSIII, SBS(1)	1.00526	5.758	6.737	5.351
B	LP, LPT, SBS(2)	0.98890	5.664	6.627	5.264
C	PX, PXT, RTP, SBS(3)	0.98063	5.617	6.572	5.220
D	OSI/II	1.00529	5.699	N/A	N/A

*The recovery factor applicable to customers taking service under Rate Schedule SBS is determined as follows: (1) customers with a contract demand in the range of 100 to 499 KW will use the recovery factor applicable to Rate Schedule GSD; (2) customers with a contract demand in the range of 500 to 7,499 KW will use the recovery factor applicable to Rate Schedule LP; and (3) customers with a contract demand over 7,499 KW will use the recovery factor applicable to Rate Schedule PX.

PEF:

Fuel Cost Factors (cents/kWh)						
Group	Delivery Voltage Level	First Tier Factor	Second Tier Factors	Levelized Factors	Time of Use	
					On-Peak	Off-Peak
A	Transmission	--	--	6.491	9.048	5.310
B	Distribution Primary	--	--	6.557	9.140	5.364
C	Distribution Secondary	6.290	7.290	6.623	9.232	5.418
D	Lighting	--	--	6.131	--	--

(OLIVIER)

TECO: The appropriate factors are as follows:

<u>Metering Voltage Level</u>	<u>Fuel Charge Factor (cents per kWh)</u>	
Secondary	6.766	
Tier I (Up to 1,000 kWh)	6.416	
Tier II (Over 1,000 kWh)	7.416	
Distribution Primary	6.698	
Transmission	6.631	
Lighting Service	6.485	
Distribution Secondary	8.290	(on-peak)
	6.116	(off-peak)
Distribution Primary	8.207	(on-peak)
	6.055	(off-peak)
Transmission	8.124	(on-peak)
	5.994	(off-peak)
(ALDAZABAL)		

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

**PCS
Phosphate:** No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 9: *Proposed stipulation, see Section X.*

ISSUE 10: *Proposed stipulation, see Section X.*

ISSUE 11: What are the appropriate estimated benchmark levels for calendar year 2009 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

POSITION:

FPL: \$18,812,528 subject to adjustments in the 2008 final true-up filing to include all actual data for the year 2008. (DUBIN)

FPUC: No position at this time.

GULF: \$2,642,498. (DODD, BALL)

PEF: \$2,017,095 (OLIVIER)

TECO: \$816,969. (ALDAZABAL)

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

Progress Energy Florida

ISSUE 12A: Should the Commission approve as prudent, PEF's actions to mitigate the volatility of natural gas, residual oil and purchased power prices, as reported in PEF's April 2008 and August 2008 hedging reports?

POSITION:

PEF: Yes. (McCALLISTER)

FIPUG: Agrees with staff.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 12B: Should the Commission approve PEF's 2009 Risk Management Plan?

POSITION:

PEF: Yes. (McCALLISTER)

FIPUG: Agrees with staff.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

Florida Power & Light Company

ISSUE 13A: Should the Commission approve as prudent, FPL's actions to mitigate the volatility of natural gas, residual oil and purchased power prices, as reported in FPL's April 2008 and August 2008 hedging reports?

POSITION:

FPL: FPL's actions to mitigate the price volatility of natural gas, residual oil and purchased power prices, as reported in FPL's April 2008 and September 2008 hedging reports are reasonable and prudent. (YUPP)

FIPUG: Agrees with staff.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13B: Should the Commission approve FPL's 2009 Risk Management Plan?

POSITION:

FPL: Yes. On August 5, 2008, FPL filed a petition in this docket requesting approval of Hedging Order Clarification Guidelines (the "Hedging Guidelines"). The Hedging Guidelines were approved at the Commission's September 16, 2008

Agenda Conference. Section I of the Hedging Guidelines would provide for investor-owned utilities such as FPL to file a risk management plan covering the activities to be undertaken during the following calendar year for hedges applicable to subsequent years, and for the Commission to review such plans for approval in the annual fuel adjustment hearing held in November. FPL's Risk Management Plan is consistent with the Hedging Guidelines and should be approved. (YUPP)

FIPUG: Agrees with staff.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13C: With respect to the outage extension at Turkey Point Unit 3 which was caused by a drilled hole in the pressurized piping, should customers or FPL be responsible for the additional fuel cost incurred as a result of the extension?

POSITION:

FPL: FPL's Replacement power costs constitute actual fuel and/or purchased power costs incurred in providing electric service to its customers. As such, they are properly recoverable through the FCR Clause just like any other power costs, unless they are shown to have been unnecessarily incurred because the utility could have avoided them had it acted prudently. There is nothing to suggest that FPL acted imprudently with respect to the deliberate bad act that led to the drilled hole. FPL complied fully with NRC requirements and industry standards in order to prevent improper access and deliberate criminal acts, and took extensive actions to swiftly and effectively investigate and inspect both Turkey Unit 3 and Unit 4 after the drilled hole in the pressurizer piping was discovered, enabling FPL to expeditiously return the plant to service with minimal disruption in production. FPL's actions at each step in this process were unquestionably reasonable and prudent. To deny recovery of replacement power costs even

where a utility has acted prudently would be completely inconsistent with FPSC precedent and the purpose of the FCR Clause and with fundamental principles of ratemaking. It would put the utility at risk of not recovering its actual fuel costs whenever a nuclear plant is unexpectedly offline, even for reasons beyond the utility's control, and it would provide the utility no corresponding reward for having to bear this large risk. Such a policy would create a major disincentive to investments in any technology that has very low energy costs, including solar and wind as well as nuclear generation, which investments are important to helping achieve the state's energy security, fuel diversity and environmental goals. (DUBIN/JONES)

FIPUG: FPL.

AARP: FPL.

FRF: No. The vandalism was perpetrated on FPL property by a person employed by a contractor hired by FPL to perform work on that property. It is clearly unfair, unjust and unreasonable to require customers to pay the cost resulting from the vandalism. Florida Statutes prohibit any charge to customers that is unfair, unjust or unreasonable. Consistent with this statutory prohibition, the Commission should require FPL to refund the \$6.2 million, with interest, to its customers.

OAG: Same as OPC.

OPC: No. The vandalism was perpetrated on FPL property by a person employed by a contractor hired by FPL to perform work on that property. It is clearly unfair, unjust and unreasonable to require customers to pay the cost resulting from the vandalism. Florida Statutes prohibit any charge to customers that is unfair, unjust or unreasonable. Consistent with this statutory prohibition, the Commission should require FPL to refund the \$6.2 million, with interest, to its customers.

PCS
Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13D: Should the Commission approve FPL's proposal to reduce the Generation Base Rate Adjustment (GBRA) factor for the Turkey Point Unit 5 from 3.271 percent to 3.129 percent?

POSITION:

FPL: Yes. Pursuant to the Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-05-0902-S-EI, issued September 14, 2005 in Docket 050045-EI, a revised GBRA factor has been computed based on the actual capital costs of Turkey Point Unit 5, using the same data and methodology incorporated in the initial GBRA Factor.

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13E: Is \$9,307,126 the appropriate true-up credit associated with the Turkey Point Unit 5 GBRA factor reduction?

POSITION:

FPL: Yes. Pursuant to the Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-05-0902-S-EI, issued September 14, 2005 in Docket 050045-EI, once Turkey Point Unit 5's actual capital costs are known, if the unit's actual capital costs are less than the projected costs used to develop the initial GBRA Factor, a one-time credit is to be made through the capacity clause.

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13F: Should the Commission approve FPL's proposed GBRA factor of 3.583 percent for the West County Energy Center (WCEC) Unit 1?

POSITION:

FPL: Yes. Paragraph 17 of the Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-05-0902-S-EI, issued September 14, 2005 in Docket 050045-EI, provides for a Generation Base Rate Adjustment (GBRA) to FPL's rates upon commercial operation of WCEC Unit 1. WCEC Unit 1, approved through the Florida Power Plant Siting Act, is expected to achieve commercial operation in June 2009. The computation of FPL's proposed GBRA factor for WCEC Unit 1 was made in accordance to the Stipulation and Settlement Agreement.

Consistent with the Settlement Agreement, FPL will begin applying the GBRA to meter readings made on or after the commercial in service date of WCEC Unit 1, which is expected to occur in June 2009. FPL will submit for the FPSC staff's administrative approval revised tariff sheets reflecting these new charges prior to the actual commercial in service date.

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13G: Should the Commission approve FPL's proposed GBRA factor of 3.154 percent for the WCEC Unit 2?

POSITION:

FPL: Yes. The Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-05-0902-S-EI, issued September 14, 2005 in Docket 050045-EI, provides for a Generation Base Rate Adjustment (GBRA) to FPL's rates upon commercial operation of WCEC Unit 2. WCEC Unit 2, approved through the Florida Power Plant Siting Act, is expected to achieve commercial operation in November 2009. The computation of FPL's proposed GBRA factor for WCEC Unit 2 was made in accordance to the Stipulation and Settlement Agreement.

Consistent with the Settlement Agreement, FPL will begin applying the GBRA to meter readings made on or after the commercial in service date of WCEC Unit 2, which is expected to occur in November 2009. FPL will submit for the FPSC staff's administrative approval revised tariff sheets reflecting these new charges prior to the actual commercial in service date.

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

**PCS
Phosphate:** No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13H: What is the appropriate calculation of fuel savings associated with the addition of the WCEC Units 1 and 2?

POSITION:

FPL: FPL utilized its POWRSYM model to quantify the benefits of WCEC Units 1 and 2, which is the same model that FPL uses to calculate the fuel costs that are included in FPL's projection filing. For this analysis FPL ran two individual cases for each unit, one with the new unit and one without the new unit, to determine fuel costs, and then compared the two cases to determine the savings for each unit. (DUBIN)

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

**PCS
Phosphate:** No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13I: Should the Commission approve FPL's proposal to levelize the Residential 1000 kWh Bill by offsetting the Generation Base Rate Adjustments (GBRAs) for West County Energy Center (WCEC) Units 1 and 2 with the fuel savings attributable to these new units?

POSITION:

FPL: Yes. FPL's proposal to levelize the Residential 1,000 kWh bill by offsetting the Generation Base Rate Adjustments (GBRA) as approved in Docket No. 060225-EI for WCEC Units 1 and 2 with the fuel savings attributable to these new units will provide all customer classes with a more stable bill in 2009. The fuel savings attributable to West County Units 1 and 2 are \$164,850,000 in 2009. Without levelization, the overall 1,000 kWh residential bill would increase in June 2009 from the level in effect for January to May 2009, when WCEC Unit 1 begins commercial operations and the WCEC Unit 1 GBRA becomes effective. Then,

the overall 1,000 kWh residential bill would increase again in November 2009, when WCEC Unit 2 begins commercial operations and the WCEC Unit 2 GBRA becomes effective. FPL's proposal will eliminate these two step increases.
(DUBIN)

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 13J: *Withdrawn.*

ISSUE 13K: *Withdrawn.*

Florida Public Utilities Company

ISSUE 14A: Should the Commission approve FPUC's proposal to allocate a portion of the costs for the substation in the Northwest division to both divisions?

POSITION:

FPUC: Yes. The distribution charge associated with the distribution substations in the Northwest Division should be allocated to both divisions. The distribution substations in the Northeast Division are owned by the Company and are in the rate base and base rates for all customers. The corresponding plant in the Northwest Division is owned by Gulf Power and the Company pays a distribution charge as part of the purchased power agreement with these costs reflected in the factors. The allocation of a portion of this charge to the Northeast Division allows for an equitable cost distribution and recovery among customers.

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

Gulf Power Company

ISSUE 15A: Should the Commission approve as prudent, GULF's actions to mitigate the volatility of natural gas, residual oil and purchased power prices, as reported in GULF's April 2008 and August 2008 hedging reports?

POSITION:

GULF: Yes. (BALL)

FIPUG: Agrees with staff.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 15B: Should the Commission approve Gulf's 2009 Risk Management Plan?

POSITION:

GULF: Yes. (BALL)

FIPUG: Agrees with staff.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

Tampa Electric Company

ISSUE 16A: Should the Commission approve as prudent, TECO's actions to mitigate the volatility of natural gas, residual oil and purchased power prices, as reported in TECO's April 2008 and August 2008 hedging reports?

POSITION:

TECO: Yes. Tampa Electric prudently followed its 2007 and 2008 Risk Management Plans and accordingly utilized financial hedges to mitigate volatility of natural gas prices during the period January 2007 through July 2008. (WEHLE, SMITH)

FIPUG: Agrees with staff.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 16B: Should the Commission approve TECO's 2009 Risk Management Plan?

POSITION:

TECO: Yes. Tampa Electric's 2009 Risk Management Plan provides prudent, non-speculative guidelines for mitigating price volatility while ensuring supply reliability. (WEHLE, SMITH)

FIPUG: Agrees with staff.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 16C: In procuring transportation contracts, has TECO complied with the requirements of Order No. PSC-04-0999-FOF-EI, issued October 12, 2004, in Docket No. 031033?

POSITION:

TECO: Yes. Tampa Electric complied with all requirements of Order No. PSC-04-0999-FOF-EI in procuring its fuel transportation contracts that take effect beginning January 1, 2009. (WEHLE)

FIPUG: FIPUG must rely on staff analysis as this information is withheld from the general public.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 16D: *Proposed stipulation, see Section X*

ISSUE 16E: *Proposed stipulation, see Section X.*

ISSUE 16F: Should the Commission approve TECO's proposal to establish fuel factors by voltage level?

POSITION:

TECO: Yes. The Commission should approve the company's proposed fuel factors by voltage level. (ALDAZABAL)

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

ISSUE 17: *Proposed stipulation, see Section X.*

ISSUE 18: *Proposed stipulation, see Section X.*

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

Progress Energy Florida

No company-specific issues for Progress Energy Florida have been identified at this time. If such issues are identified, they shall be numbered 19A, 19B, 19C, and so forth, as appropriate.

Florida Power & Light Company

No company-specific issues for Florida Power & Light Company have been identified at this time. If such issues are identified, they shall be numbered 20A, 20B, 20C, and so forth, as appropriate.

Gulf Power Company

No company-specific issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 21A, 21B, 21C, and so forth, as appropriate.

Tampa Electric Company

No company-specific issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 22A, 22B, 22C, and so forth, as appropriate.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 23: What are the appropriate capacity cost recovery true-up amounts for the period January 2007 through December 2007?

POSITION:

FPL: \$3,707,455 under- recovery. (DUBIN)

GULF: Under recovery of \$92,592. (BALL, DODD)

PEF: \$2,181,228 over-recovery. (GARRETT)
TECO: \$3,726,521 under-recovery. (ALDAZABAL)
FIPUG: No position.
AARP: No position.
FRF: No position.
OAG: No position.
OPC: No position.
PCS
Phosphate: No position.
FEA: No position.
STAFF: Staff takes no position at this time.

ISSUE 24: What are the appropriate capacity cost recovery true-up amounts for the period January 2008 through December 2008?

POSITION:

FPL: \$26,832,716 under-recovery. (DUBIN)
GULF: Under recovery of \$274,796. (BALL, DODD)
PEF: \$13,111,748 over-recovery. (OLIVIER)
TECO: \$16,102,421 under-recovery. (ALDAZABAL)
FIPUG: No position.
AARP: No position.
FRF: No position.
OAG: No position.
OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 25: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2009 through December 2009?

POSITION:

FPL: \$30,540,170 under-recovery. (DUBIN)

GULF: Collection of \$367,388. (DODD)

PEF: \$15,292,976 over-recovery. (OLIVIER)

TECO: \$19,828,942 under-recovery. (ALDAZABAL)

FIPUG: Levy 1 & 2 preconstruction costs should be at least partially postponed until their prudence is proven in 2009 nuclear plant cost recovery proceedings.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 26: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2009 through December 2009?

POSITION:

FPL: \$621,136,906. (DUBIN)

GULF: \$34,063,542. (BALL, DODD)

PEF: \$748,873,246. (OLIVIER)

TECO: \$93,098,459 (ALDAZABAL, SMITH)

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

ISSUE 27: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2009 through December 2009?

STIPULATED AS TO GULF AND TECO

POSITION:

FPL: The appropriate jurisdictional separation factors are:
FPSC 98.76729%
FERC 1.23271% (DUBIN)

PEF: Base - 93.753%, Intermediate - 79.046%, Peaking - 88.979%. (OLIVIER)

FIPUG: No position at this time as to utilities without nuclear expansion plans. Utilities building nuclear plants that will meet statewide need, but that are more than 15% in excess of their forecasted retail demand should establish appropriate separation factors to protect retail customers from bearing the double burden of supporting power plants for future retail customers and future wholesale customers.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: PCS Phosphate agrees with FIPUG with respect to PEF and that utility's investment in the Levy County nuclear units.

FEA: No position.

STAFF: FPL: 98.76729%
PEF: Base 93.753% Intermediate 79.046% Peaking 88.979%

ISSUE 28: What are the appropriate capacity cost recovery factors for the period January 2009 through December 2009?

POSITION:

FPL:

<u>Rate Schedule</u>	Capacity Recovery Factor <u>(\$/kw)</u>	Capacity Recovery Factor <u>(\$/kwh)</u>
RS1/RST1	-	0.00816
GS1/GST1	-	0.00823
GSD1/GSDT1/HLFT1 (21-499 kW)	2.43	-
OS2	-	0.00558
GSLD1/GSLDT1/CS1/CST1/HLFT2 (500-1,999 kW)	3.05	-
GSLD2/GSLDT2/CS2/CST2/HLFT3(2,000+ kW)	3.02	-
GSLD3/GSLDT3/CS3/CST3	3.08	-
CILC D/CILC G	3.18	-
CILC T	3.07	-
MET	3.15	-
OL1/SL1/PL1	-	0.00134
SL2, GSCU1	-	0.00494
	Reservation Demand Charge <u>(\$/kw)</u>	Sum of Daily Demand Charge <u>(\$/kw)</u>
ISST1D	\$0.38	\$0.18
ISST1T	\$0.37	\$0.18
SST1T	\$0.37	\$0.18
SST1D1/SST1D2/SST1D3	\$0.38	\$0.18

(DUBIN)

GULF: See table below: (Dodd)

RATE CLASS	CAPACITY COST RECOVERY FACTORS ¢/KWH
RS, RSVP	0.335
GS	0.307
GSD, GSDT, GSTOU	0.262
LP, LPT	0.227
PX, PXT, RTP, SBS	0.190
OS-I/II	0.079
OSIII	0.204

<u>PEF:</u>	<u>Rate Class</u>	<u>CCR Factor</u>
	Residential	2.166 cents/kWh
	General Service Non-Demand	1.833 cents/kWh
	@ Primary Voltage	1.815 cents/kWh
	@ Transmission Voltage	1.796 cents/kWh
	General Service 100% Load Factor	1.255 cents/kWh
	General Service Demand	1.547 cents/kWh
	@ Primary Voltage	1.532 cents/kWh
	@ Transmission Voltage	1.516 cents/kWh
	Curtailable	1.123 cents/kWh
	@ Primary Voltage	1.112 cents/kWh
	@ Transmission Voltage	1.101 cents/kWh
	Interruptible	1.344 cents/kWh
	@ Primary Voltage	1.331 cents/kWh
	@ Transmission Voltage	1.317 cents/kWh
	Lighting	0.307 cents/kWh
		(OLIVIER)

TECO: The appropriate factors for January 2009 through December 2009 are as follows*:

<u>Rate Schedule and Metering Voltage</u>	<u>Capacity Cost Recovery Factor (cents per kWh)</u>
RS Secondary	0.580
GS and TS Secondary	0.547
GSD	
Secondary	0.429
Primary	0.425
Transmission	0.420
GSLD and SBF	
Secondary	0.377
Primary	0.373
Transmission	0.369
IS-1, IS-3, SBI-1, SBI-3	
Secondary	0.035
Primary	0.035
Transmission	0.034
SL-2, OL-1 and OL-3	
Secondary	0.089

*The factors are subject to change pending the resolution of certain rate design modifications in TECO's pending base rate proceeding in Docket No. 080317-EI.

FIPUG: No position.

AARP: No position.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Staff takes no position at this time.

COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

Progress Energy Florida

ISSUE 29A: Has PEF included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 080009-EI?

POSITION:

PEF: PEF included in the capacity cost recovery clause the nuclear cost recovery amount as filed in Docket 080009-EI on May 1, 2008. The nuclear cost recovery amounts have changed as a result of the Commission vote approving PEF's costs at the October 14, 2008 Agenda Conference in Docket No. 080009-EI. PEF filed revised supplemental testimony and schedules on October 15, 2008 reflecting those changes. (GARRETT, OLIVIER)

FIPUG: FIPUG agrees that PEF has included the sum determined by the Commission, but does not agree that this amount should be collected exclusively from retail customers. The amount allocable to the retail class should be based upon a 15% reserve margin at the time the plants become commercially operable. The PEF reserve margin will be 33% when its nuclear plants become commercially operable.

AARP: Yes.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Pursuant to the Commission's decision in Docket No. 080009-EI, including the stipulations of the parties considered by the Commission, PEF has included in the Capacity Clause, the nuclear cost recovery amount of \$418,311,136 as ordered by the Commission.

Florida Power & Light Company

ISSUE 30A: Has FPL included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 080009-EI?

POSITION:

FPL: \$220,529,243 (DUBIN)

FIPUG: FIPUG agrees that FPL has included the sum determined by the Commission, but does not agree that this amount should be collected exclusively from retail customers. The amount allocable to the retail class should be based upon a 15% reserve margin at the time the plants become commercially operable. Records filed with the Commission indicate that the FPL reserve margin in 2017 will be 20.1% after cancelling 1311 MW of capacity import contracts.

AARP: Yes.

FRF: No position.

OAG: No position.

OPC: No position.

PCS

Phosphate: No position.

FEA: No position.

STAFF: Pursuant to the Commission's decision in Docket No. 080009-EI, including the stipulations of the parties considered by the Commission, FPL has included in the Capacity Clause, the nuclear cost recovery amount of \$220,529,243 as ordered by the Commission.

ISSUE 30B: *Withdrawn.*

Gulf Power Company

No company-specific issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 31A, 31B, 31C, and so forth, as appropriate.

Tampa Electric Company

ISSUE 32A: *Withdrawn*

ISSUE 32B: *Withdrawn*

IX. EXHIBIT LIST

<u>Witness</u>	<u>Proffered By</u>	<u>Description</u>
<u>Direct</u>		
G. YUPP	FPL	GJY-1 2007 Hedging Activity
G. YUPP	FPL	GJY-2 Hedging Information Report for January – July, 2008
G. YUPP	FPL	GJY-3 Fuel Cost Recovery Forecast Assumptions
G. YUPP	FPL	GJY-4 2009 Risk Management Plan;
G. YUPP	FPL	KMD-5 Levelized Fuel Cost Recovery Factors for January, 2009 through December, 2009
T.O. JONES	FPL	TOJ -1 2006 Turkey Point Outage Extension

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
T.O. JONES	FPL	KMD-5	Levelized Fuel Cost Recovery Factors for January, 2009 through December, 2009
K.M. DUBIN	FPL	KMD-1	Fuel Cost Recovery Final True-up for January 2007 Through December 2007
K.M. DUBIN	FPL	KMD-2	Capacity Cost Recovery Final True-up for January 2007 Through December 2007
K.M. DUBIN	FPL	KMD-3	Estimated/Actual Cost Recovery for January 2008 through December 2008
K.M. DUBIN	FPL	KMD-4	Capacity Cost Recovery for January 2008 through December 2008
K.M. DUBIN	FPL	KMD-5	Levelized Fuel Cost Recovery Factors for January 2009 through December 2009
K.M. DUBIN	FPL	KMD-6	Capacity Cost Recovery Factors for January 2009 through December 2009
K.M. DUBIN	FPL	KMD-7	Fuel Cost Recovery Non-Levelized Bill
K.M. DUBIN	FPL	KMD -8	Revised Capacity Cost Recovery Schedules
F. IRIZARRY	FPL	FI-1	Generating Performance Incentive Factor Results January through December 2007
F. IRIZARRY	FPL	FI-2	Generating Performance Incentive Factor Targets January through December 2009
CHERYL MARTIN	FPUC	CMM-1	Schedules M2, F1, and E1-B (for the Marianna and Fernandina Beach Divisions)

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
CURTIS D. YOUNG	FPUC	CDY-2	Schedules E1, E1-A, E2, E7, and E10, for the Marianna Division and Schedules E1, E1-A, E2, E7, E8 and E10 for the Fernandina Beach Division
CURTIS D. YOUNG	FPUC	CDY-3	E Schedules for January through December 2009
CURTIS D. YOUNG	FPUC	CDY-4	Revised E Schedules for January through December 2009
H.R. BALL	GULF	HRB-1	Coal Suppliers, natural Gas Price Variance, Hedging Effectiveness, and Hedging Transactions January 2007 – December 2007
H.R. BALL	GULF	HRB-2	Projected vs. Actual Fuel Cost of Net generation December 1999 – December 2009
H.R. BALL	GULF	HRB-3	Hedging Information Report January 2008 – July 2008
H.R. BALL	GULF	HRB-4	Risk Management Plan for Fuel Procurement Document Number 08587-08
RHONDA J. MARTIN (Testimony and exhibits adopted by R.W. Dodd)	GULF	RJM-1	Calculation of Final True-Up and A-Schedules January 2007 – December 2007
R.W. DODD	GULF	RWD-2	Estimated True-Up January 2008 – December 2008
R.W. DODD	GULF	RWD-3	Projection January 2009 – December 2009
L.S. NOACK	GULF	LSN-1	Gulf Power Company GPIF Results January 2007 – December 2007

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
L.S. NOACK	GULF	LSN-2	Gulf Power Company GPIF Targets and Ranges January 2009 – December 2009
WILL GARRETT	PEF	WG-1T	Fuel Cost Recovery True-Up (Jan – Dec. 2007)
WILL GARRETT	PEF	WG-2T	Capacity Cost Recovery True-Up (Jan – Dec. 2007)
WILL GARRETT	PEF	WG-3T	Schedules A1 through A3, A6 and A12
JOSEPH MCCALLISTER	PEF	JM-1T	2007 Hedging Information as required by Order No. PSC-02-1484-FOF-EI
JOSEPH MCCALLISTER	PEF	JM-1P	2009 Risk Management Plan
JOSEPH MCCALLISTER	PEF	JM-2P	January- July 2008 Hedging Report
ROBERT M. OLIVER	PEF	RMO-1T	GPIF Reward/Penalty Schedules for 2007.
ROBERT M. OLIVER	PEF	RMO-1P	GPIF Targets/Ranges Schedules (for Jan – Dec. 2009)
MARCIA OLIVIER	PEF	MO-1	Estimated/Actual true-up Schedules for period January – December 2008
MARCIA OLIVIER	PEF	MO-2	Projection factors for January to December 2009
MARCIA OLIVIER	PEF	MO-3	Revised E Schedules supporting rejections
MARCIA OLIVIER	PEF	MO-4	Revised Capacity Cost Recovery Schedules
CARLOS ALDAZABAL	TECO	CA-1	Fuel Cost Recovery January 2007 – December 2007

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
CARLOS ALDAZABAL	TECO	CA-1	Capacity Cost Recovery January 2007 – December 2007
CARLOS ALDAZABAL	TECO	CA-2	Fuel Cost Recovery, Projected January 2008 – December 2008
CARLOS ALDAZABAL	TECO	CA-2	Capacity Cost Recovery, Projected January 2008 – December 2008
CARLOS ALDAZABAL	TECO	CA-3	Fuel Cost Recovery, Projected January 2009 – December 2009
CARLOS ALDAZABAL	TECO	CA-3	Capacity Cost Recovery, Projected January 2009 – December 2009
CARLOS ALDAZABAL	TECO	CA-3	Levelized and Tiered Fuel Rate
DAVID KNAPP (testimony and exhibits adopted by Brian S. Buckley)	TECO	*DRK-1	Generating Performance Incentive Factor Results January 2007 – December 2007
BRIAN S. BUCKLEY	TECO	BSB-1	Generating Performance Incentive Factor Estimated January 2009 – December 2009
JOANN T. WEHLE	TECO	JTW-1	2007 Waterborne Transportation Cost Adjustment
JOANN T. WEHLE	TECO	JTW - 2	April 2008 and August 2008 Hedging Reports, September 2008 Hedging Plan
<u>Intervenor</u>			
HUGH LARKIN, JR.	OPC	Appendix I	“Qualifications of Hugh Larkin, Jr., CPA”

Parties and Staff reserve the right to identify additional exhibits for the purpose of cross-examination.

X. PROPOSED STIPULATIONS

A. The following stipulated issues reflect agreement among each investor-owned utility and Staff, with all other parties taking no position on the issue:

ISSUE 4: What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2009 through December 2009?

POSITION:

<u>FPL:</u>	1.00072	
<u>FPUC:</u>	Marianna:	1.00072
	Fernandina Beach:	1.00072
<u>GULF:</u>	1.00072	
<u>PEF:</u>	1.00072	
<u>TECO:</u>	1.00072	

ISSUE 7: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

POSITION:

FPL:

<u>GROUP</u>	<u>RATE</u> <u>SCHEDULE</u>	<u>FUEL</u> <u>RECOVERY</u> <u>LOSS</u> <u>MULTIPLIER</u>
A	RS-1 first 1,000 kWh	1.00183
	all additional kWh	1.00183
A	GS-1, SL-2, GSCU-1, WIES-1	1.00183
A-1	SL-1, OL-1, PL-1	1.00183
B	GSD-1	1.00178
C	GSLD-1 & CS-1	1.00078
D	GSLD-2, CS-2, OS-2 & MET	0.99318
E	GSLD-3 & CS-3	0.95923
A	RST-1, GST-1 ON-PEAK	1.00183
	OFF-PEAK	1.00183
B	GSDT-1, CILC-1(G), ON-PEAK	1.00177
	HLFT-1 (21-499 kW) OFF-PEAK	1.00177
C	GSLDT-1, CST-1, ON-PEAK	1.00093
	HLFT-2 (500-1,999 kW) OFF-PEAK	1.00093
D	GSLDT-2, CST-2, ON-PEAK	0.99481
	HLFT-3 (2,000+) OFF-PEAK	0.99481
E	GSLDT-3, CST-3, ON-PEAK	0.95923
	CILC -1(T) OFF-PEAK	0.95923
	& ISST-1(T)	
F	CILC -1(D) & ON-PEAK	0.99371
	ISST-1(D) OFF-PEAK	0.99371

SEASONAL DEMAND TIME OF USE RIDER (SDTR)

ON PEAK: JUNE 2009 THROUGH SEPTEMBER 2009 - WEEKDAYS 3:00 PM TO 6:00 PM

OFF PEAK: ALL OTHER HOURS

B	GSD(T)-1 ON-PEAK	1.00178
	OFF-PEAK	1.00178
C	GSLD(T)-1 ON-PEAK	1.00084
	OFF-PEAK	1.00084
D	GSLD(T)-2 ON-PEAK	0.99488
	OFF-PEAK	0.99488

FPUC: Marianna: 1.0000 All Rate Schedules
 Fernandina: 1.0000 All Rate Schedules

GULF: See table below:

Group	Rate Schedules	Line Loss Multipliers
A	RS, RSVP,GS, GSD, GSDT, GSTOU, OSIII, SBS(1)	1.00526
B	LP, LPT, SBS(2)	0.98890
C	PX, PXT, RTP, SBS(3)	0.98063
D	OSI/II	1.00529

- (1) Includes SBS customers with a contract demand in the range of 100 to 499 KW
- (2) Includes SBS customers with a contract demand in the range of 500 to 7,499 KW
- (3) Includes SBS customers with a contract demand over 7,499 KW

PEF:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Line Loss Multiplier</u>
A.	Transmission	0.9800
B.	Distribution Primary	0.9900
C.	Distribution Secondary	1.0000
D.	Lighting Service	1.0000

TECO: The appropriate fuel recovery line loss multipliers are as follows:

<u>Metering Voltage Schedule</u>	<u>Line Loss Multiplier</u>
Distribution Secondary	1.0000
Distribution Primary	0.9900
Transmission	0.9800
Lighting Service	1.0000

ISSUE 9: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

POSITION:

FPL: The Company is requesting that the new Fuel Cost Recovery factor for January through May, June through October, and November through December, become effective during these periods which will provide five months of billing on the January through May factor, five months of billing on the June through October factor and two months of billing on the November through December factor. FPL is requesting that the Capacity Cost Recovery factors become effective with customer bills for January 2009 through December 2009. This will provide for 12 months of billing on the Capacity Cost Recovery factors for all our customers.

FPUC: FPU's approved fuel adjustment and purchased power cost recovery factors should be effective for all meter readings on or after January 1, 2009, beginning with the first or applicable billing cycle for the period January, 2009.

GULF: The new fuel and capacity factors should be effective beginning with the first billing cycle for January 2009 and thereafter through the last billing cycle for December 2009. The first billing cycle may start before January 1, 2009, and the last cycle may be read after December 31, 2009, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (DODD)

PEF: The new factors should be effective beginning with the first billing cycle for January 2009, and thereafter through the last billing cycle for December 2009. The first billing cycle may start before January 1, 2009, and the last billing cycle may end after December 31, 2009, so long as each customer is billed for twelve months regardless of when the factors became effective.

TECO: For fuel, the new factors should be effective beginning with the specified billing cycle and thereafter for the period January 2009 and thereafter through the last billing cycle for December 2009. The first billing cycle may start before January 1, 2009, and the last billing cycle may end after December 31, 2009, so long as each customer is billed for 12 months regardless of when the fuel factors became effective. The capacity factors are annualized factors that are expected to apply for the period January through April 2009 with a revision to those factors coincident with the effective date of the base rate modifications.

ISSUE 10: What are the appropriate actual benchmark levels for calendar year 2008 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

POSITION:

FPL: \$19,668,561

GULF: \$3,340,925

PEF: \$2,083,339

TECO: \$811,478

ISSUE 16D: For 2007 and 2008, has TECO properly calculated the adjustment to coal transportation rates required by Order No. PSC-04-0999-FOF-EI, issued October 12, 2004, in Docket No. 031033?

POSITION:

Tampa Electric Company shall calculate the waterborne coal transportation cost disallowance for 2008 using the same methodology the Commission approved in calculating the adjusted base contract inland river and ocean rates used to determine the amount of the final disallowance for each of the fuel proceedings in 2004 – 2007. TECO shall add \$3,000,000 to the final true-up of the 2008 disallowance amount (increased 2008 disallowance). This increased 2008 disallowance shall settle for all time and for all applicable years the issue of whether TECO has properly adjusted its waterborne coal transportation costs consistent with the requirements of Order No. PSC-04-0999-FOF-EI, issued October 12, 2004, in Docket No. 031033, with the only remaining issue being the final true-up calculation of the increased 2008 disallowance which shall be calculated consistent with the same methodology previously used and approved for calculation of the disallowance for all prior years.

ISSUE 16E: Should the Commission approve TECO's proposed inverted fuel factors for the residential class?

POSITION:

Yes. The Commission should approve the proposed fuel factors for the residential class that include one rate for the first 1,000 kWh usage per month and a second rate for usage over the first 1,000 kWh per month.

ISSUE 17: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2007 through December 2007 for each investor-owned electric utility subject to the GPIF?

POSITION:

FPL: \$5,383,572 reward.
GULF: \$433,685 penalty.
PEF: \$2,167,933 reward.
TECO: \$849,634 penalty.

ISSUE 18: What should the GPIF targets/ranges be for the period January 2009 through December 2009 for each investor-owned electric utility subject to the GPIF?

POSITION:

FPL: The targets and ranges should be as set forth in the Testimony and Exhibits of F. Irizarry including the following:

PLANT/UNIT	EAF TARGET (%)	HEAT RATE HR. TARGET (BTU/KWH)
FT. MYERS 2	89.7	6,866
LAUDERDALE 5	93.5	7,776
MARTIN 4	92.0	7,080
MARTIN 8	83.2	6,803
MANATEE 3	92.7	6,975
SANFORD 4	90.2	6,962
SANFORD 5	88.4	6,969
SCHERER 4	96.0	10,193
ST. LUCIE 1	93.6	11,006
ST. LUCIE 2	81.8	11,272
TURKEY POINT 3	82.7	11,476
TURKEY POINT 4	81.3	11,488

(IRIZARRY)

GULF: See table below: (NOACK)

Unit	EAF	POF	EUOF	Heat Rate
Crist 4	98.0	0.0	2.0	10,810
Crist 5	96.4	0.0	3.6	10,594
Crist 6	81.8	10.7	7.5	10,530
Crist 7	68.7	22.2	9.2	10,496
Smith 1	89.7	6.3	4.0	10,310
Smith 2	95.9	0.0	4.1	10,349
Daniel 1	81.2	15.3	3.5	10,096
Daniel 2	89.7	5.8	4.6	9,870
EAF = Equivalent Availability Factor (%) POF = Planned Outage Factor (%) EUOF = Equivalent Unplanned Outage Factor (%)				

PEF: The appropriate targets and ranges are shown on page 4 of Exhibit RMO-1 filed on 8/29/08 with the Direct Testimony of Robert M. Oliver. (OLIVER)

TECO: The appropriate targets and ranges are shown in Exhibit No. ____ (BSB-1) to the prefiled testimony of Mr. Brian S. Buckley. Targets and ranges should be set according to the prescribed GPIF methodology established in 1981 by Commission Order No. 9558 in Docket No. 800400-CI and later modified in 2006 after meeting with Staff and intervening parties at the request of the Commission. (BUCKLEY)

ISSUE 27: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2009 through December 2009?

GULF: 96.42160%.

TECO: 96.39735%.

XI. PENDING MOTIONS

FPL: Motion for Temporary Protective Order dated February 7, 2008 related to certain confidential information included in Exhibit 3 to petition for approval of improved volatility mitigation mechanism (fuel hedging information).

Motion for Temporary Protective Order dated April 30, 2008 of information contained in responses to OPC's requests for copies of Exh GJY-1 to testimony of Gerard Yupp (DN 02591-08); Exh TOJ-1 to testimony of Terry O. Jones; response to Staff's 3/5/-08 hedging data request, No. 21 (DN 01939-08); and response to Staff's 4/4/08 data request, Nos. 1 and 2 (DN 03097-08).

Motion for Temporary Protective Order dated June 23, 2008 to exempt from Section 119.07(1), FS, confidential information contained in response to OPC's 1st request for interrogatories Nos. 1-6 and 1st request for PODs Nos. 1-8.

XII. PENDING CONFIDENTIALITY MATTERS

FPL:

- Florida Power & Light Company's Request for Confidential Classification of DN 00416-08 with Attachments B and C, dated January 16, 2008.
- Florida Power & Light Company's Second Request for Extension of Confidential Classification for audit materials (audit control no. 04-023-4-1), dated January 28, 2008.
- Florida Power & Light Company's Second Request for Extension of Confidential Classification for audit materials (audit control no. 04-096-4-1), dated January 28, 2008.
- Florida Power & Light Company's Request for Confidential Classification of DN 00912-08 with Attachments B and C, dated February 5, 2008.
- Florida Power & Light Company's Request for Confidential Classification of DN 01354-08, justification for confidentiality, dated February 21, 2008.
- Florida Power & Light Company's Request for Confidential Classification of information provided in response to Staff's 1st Set of Interrogatories Nos. 1-20 and 1st Request for PODs Nos. 1-10, dated March 3, 2008.
- Florida Power & Light Company's Request for Confidential Classification of short term capacity payment information, dated March 3, 2008.
- Florida Power & Light Company's Request for Confidential Classification of short term capacity payment information, dated March 3, 2008.
- Florida Power & Light Company's Request for Confidential Classification of fuel hedging information and notice of confidential classification of corporate security investigative report, dated April 3, 2008.
- Florida Power & Light Company's Request for Confidential Classification of DN 01939-08, dated April 4, 2008.

- Florida Power & Light Company's Request for Confidential Classification of DN 03012-08, dated April 16, 2008.
- Florida Power & Light Company's Request for Confidential Classification of DN 03684-08, dated May 5, 2008.
- Florida Power & Light Company's Request for Confidential Classification of responses to Staff's 4/4/08 data requests Nos. 1 and 2, dated May 8, 2008.
- Florida Power & Light Company's Request for Confidential Classification for audit materials (audit control no. 07-353-4-1), dated May 27, 2008.
- Florida Power & Light Company's Request for Confidential Classification for audit materials (audit control no. 07-353-4-1), dated May 27, 2008.
- Florida Power & Light Company's First Request for Extension of Confidential Classification for Schedule E-12 of Exhibit KMD-6 to prepared testimony of K.M. Dubin and Exhibits GJY-3, GJY-4, GJY-5 and GJY-6, dated May 28, 2008.
- Florida Power & Light Company's Request for Confidential Classification for audit materials (audit control no. 08-003-4-2), dated May 29, 2008.
- Florida Power & Light Company's Request for Confidential Classification for of DN 05204-08, enclosed version and justification, dated June 18, 2008.
- Florida Power & Light Company's Request for Confidential Classification for audit materials (audit control no. 08-003-4-3), dated June 27, 2008.
- Florida Power & Light Company's Request for Confidential Classification of information provided pursuant to mid-course correction data request Nos. 16 and 19, dated July 7, 2008.
- Florida Power & Light Company's Request for Confidential Classification of information provided in response to FIPUG's 1st Set of Interrogatories and 1st Request for PODs, dated July 21, 2008.
- Florida Power & Light Company's Request for Confidential Classification of information provided pursuant to Staff's 2nd Request for PODs, dated July 21, 2008.
- Florida Power & Light Company's Request for Confidential Classification of DN 06268-08; attached justification for confidentiality, dated July 21, 2008.
- Florida Power & Light Company's Request for Confidential Classification of information provided pursuant to Staff's 3rd Request for PODs, dated July 21, 2008.
- Florida Power & Light Company's Request for Confidential Classification of DN 06812-08, dated August 4, 2008.
- Florida Power & Light Company's Second Request for Extension of Confidential Classification for audit materials (audit control no. 04-022-4-1), dated August 6, 2008.
- Florida Power & Light Company's Request for Confidential Classification of certain information contained in hedging information report, Exhibit GJY-2, dated August 11, 2008.

- Florida Power & Light Company's Request for Confidential Classification of information provided in Exhibit GJY-4 and short term capacity payment information provided in Schedule E-12, dated September 2, 2008.
- Florida Power & Light Company's Request for Confidential Classification of DN 08206-08, dated September 4, 2008.
- Florida Power & Light Company's Request for Confidential Classification of DN 09072-08, dated September 25, 2008.
- FPL anticipates that it may file further requests for confidential classification with respect to responses to other discovery requests that are pending.

FPUC:

- FPUC's Requests for Confidential Classification filed on September 8, 2008, October 6, 2008 and October 13, 2008.
- FPUC'S Requests for Confidential Classification filed June 6, 2008 for portions of Agreement for generation services between GULF and FPUC.

GULF:

- Request for confidentiality dated April 4, 2007, relating to Gulf Power's Risk Management Plan for Fuel Procurement.
- Request for confidentiality dated July 18, 2007, relating to items 1, 2, 4 and 5 of Staff's First Interrogatories.
- Request for confidentiality dated November 12, 2007, relating to certain documents produced to Commission Staff in connection with Fuel Adjustment Clause Audit 07-022-1-1.
- Request for extended confidentiality dated January 14, 2008, relating to Gulf Power's Risk Management Plan for Fuel Procurement.
- Request for confidentiality dated February 29, 2008, relating to Schedule CCA-4 of Exhibit RJM-1 to the Direct Testimony of Rhonda J. Martin dated March 1, 2008.
- Request for confidentiality dated February 29, 2008, relating to Schedule 2 and 5 of Exhibit HRB-1 to the Direct Testimony of Herbert R. Ball dated March 1, 2008.
- Request for confidentiality dated March 19, 2008, relating to items 1, 2, 5 and 6 of Staff's First Interrogatories.
- Request for confidentiality dated March 19, 2008, relating to items 2 and 4 of Staff's First Request for Production.
- Request for confidentiality dated April 14, 2008, relating to item 2 of Staff's First Data Request.
- Request for confidentiality dated May 27, 2008, relating to certain items produced by Commission Staff and Gulf in connection with 2007 Fuel Price Hedging Audit 07-353-1-1.
- Request for confidentiality dated July 28, 2008, relating to items 9 and 10 of Staff's Second Request for Production.
- Request for confidentiality dated July 28, 2008, relating to item 13 of Staff's Third Midcourse Data Request.

- Request for confidentiality dated August 1, 2008, relating to Schedule CCE-4 of Exhibit RWD-2 to the Direct Testimony of Richard W. Dodd dated August 4, 2008.
- Request for confidentiality dated August 14, 2008, relating to Gulf Power's Hedging Information Report.
- Request for confidentiality dated August 21, 2008, relating items 11 and 12 of Staff's Third Request for Production.
- Request for confidentiality dated September 12, 2008, relating to Gulf Power's Risk Management Plan for Fuel Procurement of Exhibit HRB-4 to the Direct Testimony of Herbert R. Ball dated September 2, 2008.
- Request for confidentiality dated August 29, 2008, relating to Schedule CCE-4 of Exhibit RWD-3 to the Direct Testimony of Richard W. Dodd dated September 2, 2008.
- Confidentiality Request for portions of response to Staff Interrogatory Number 74 of Staff's 6th Interrogatories to Gulf Power Company (No. 59-78) filed October 17, 2008.

PEF:

- April 30, 2007 – 423 Forms for February 2007
- May 25, 2007 – 423 Forms for March 2007
- June 19, 2007 – 423 Forms for April 2007
- July 30, 2007 – 423 Forms for May 2007
- September 7, 2007 – 423 Forms for June 2007
- September 14, 2007 – Responses to OPC's First Set of Interrogatories (1-8), specifically responses to Nos. 4, 5 and 6.
- September 14, 2007 – Responses to OPC's Second Request for Production of Documents (2-16), specifically responses to Nos. 2, 3, 4 and 9.
- September 20, 2007 – 423 Forms for July 2007
- October 3, 2007 – Response to Staff's Second Set of Interrogatories (Q.20)
- October 22, 2007 – Response to Staff's Third Set of Interrogatories (Q.26)
- October 22, 2007 – Testimony of Robert Sansom
- October 25, 2007 – Response to Staff's Fourth Set of Interrogatories (Q.27)
- October 26 – 423 Forms for August 2007
- November 19, 2007 – Exhibit 49 used at 2007 Fuel Hearing (2007 Hedged %'s for Natural Gas and Oil).
- November 28, 2007 – 423 Forms for September 2007
- January 9, 2008 – 423 Forms for October 2007
- January 30, 2008 – 423 Forms for November 2007
- March 3, 2008 – Responses to Staff's First Set of Interrogatories (1-10) and Staff's First Request for Production of Documents (1-8).
- March 10, 2008 – 423 Forms for December 2007
- March 26, 2008 – 423 Forms for January 2008
- April 3, 2008 – Exhibit JM-1T to the direct testimony of Joseph McCallister

- April 23, 2008 – Hedging Audit Work papers associated with Audit Control No. 07-353-2-1.
- May 1, 2008 – 423 Forms for February 2008
- May 19, 2008 – 423 Forms for March 2008
- June 20, 2008 – 423 Forms for April 2008
- June 30, 2008 – Response to Staff’s Mid-course Data Request, Question 1 – Attachment titled “E-10 Schedule for 2008 & 2009”.
- July 9, 2008 – Response to Staff’s Second Request for Production of Documents
- July 17, 2008 – Response to FIPUG’s First Set of Interrogatories (1-21)
- July 18, 2008 – 423 Forms for May 2008
- August 4, 2008 – Exhibit MO-1 (Part 2 – capacity cost recovery calculations for 2008, page 2 of 2) to the direct testimony of Marcia Olivier.
- August 15, 2008 – Hedging Report (Information contained in Attachments A & B for the period January – July 2008).
- August 22, 2008 – 423 Forms for June 2008
- August 25, 2008 – Response to Staff’s Third Set of Interrogatories (15-19)
- August 29, 2008 - Pages 3, 4 & 5 to the direct testimony of Marcia Olivier, Exhibit MO-2 (Schedule E-12 – capacity costs, Part 3, page 3 of 5) to the direct testimony of Marcia Olivier, Exhibit JM-1P (Page 1-2 and Attachments A-H) and Exhibit JM-2P to the direct testimony of Joseph McCallister.
- September 24, 2008 – 423 Forms for July 2008
- October 22, 2008 – Request for confidential classification of Late-filed Deposition Exhibit No. 1.

TECO:

- May 15, 2007 – Document No. 04025-07 – TECO Forms 423 for March 2007
- July 2, 2007 – Document No. 05555-07 – TECO Answers to Staff’s 1st IRR Nos. 1 & 5
- July 2, 2007 – Document No. 05557-07 – TECO Answers to Staff’s 1st POD Nos. 2 & 4
- July 17, 2007 – Document No. 05936-07 – TECO Forms 423 for May 2007
- August 15, 2007 – Document No. 07179-07 – TECO Forms 423 for June 2007
- September 17, 2007 – Document No. 08483-07 – TECO Forms 423 for July 2007
- October 15, 2007 – Document No. 09409-07 – TECO Forms 423 for August 2007
- November 7, 2007 – Document No. 10145-07 – Joann Wehle late-Filed Exhibit 51
- November 15, 2007 – Document No. 10315-07 – TECO Forms 423 for September 2007
- December 17, 2007 – Document No. 10979-07 – TECO Forms 423 for October 2007

- January 15, 2008 – Document No. 00368-08
- February 15, 2008 – Document No. 01203-08
- March 3, 2008 – Responses to Staff's First Set of Rogs
- March 3, 2008 – Document No. 01559-08
- March 3, 2008 – Responses to Staff's First PODs
- March 17, 2008 – Document No. 01968-08
- April 3, 2008 – Document No. 02580-08
- April 3, 2008 – Document No. 02583-08
- April 15, 2008 – Document No. 02900-08
- April 25, 2008 – Staff workpapers for audit dated April 4, 2008
- May 5, 2008 – Responses to Hedging Audit Control No. 07-353-2-2
- May 15, 2008 – Document No. 04049-08
- June 16, 2008 – Document No. 05097-08
- June 27, 2008 – Document No. 05615-08
- June 27, 2008 – OPC's First PODs
- July 10, 2008 – Document No. 05963-08
- July 10, 2008 – Document No. 05965-08
- July 15, 2008 – Document No. 06090-08
- August 4, 2008 – Document No. 06807-08
- August 15, 2008 – Risk Management Report
- August 15, 2008 – Document No. 07322-08
- September 2, 2008 – Document No. 08021-08
- September 2, 2008 – Portions of Testimony & Exh. JTW-2
- September 2, 2008 – Document No. 08026-08
- September 15, 2008 – Document No. 08625-08
- October 15, 2008 – Document No. 09806-08
- October 16, 2008 – Portions of Responses to Staff's Third POD request
- October 20, 2008 – Portions of Responses to Staff's Fourth Set of interrogatories
- October 24, 2008 – Staff audit workpapers, hedging Audit Control No. 08-221-2-2
- October 24, 2008 – Notice of Intent – Document No. 10112-08

XIII. POST-HEARING PROCEDURES

If no bench decision is made, each party shall file a post-hearing statement of issues and positions. A summary of each position of no more than 75 words, set off with asterisks, shall be included in that statement. If a party's position has not changed since the issuance of this Prehearing Order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is longer than 75 words, it must be reduced to no more than 75 words. If a party fails to file a post-hearing statement, that party shall have waived all issues and may be dismissed from the proceeding.

Pursuant to Rule 28-106.215, F.A.C., a party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 40 pages and shall be filed at the same time.

XIV. RULINGS

Opening Statements

Opening statements, if any, shall not exceed ten minutes per party.

Excusal from Prehearing

Counsel for AARP has been excused from attendance at the Prehearing Conference.

FIPUG's Proposed Issues

FIPUG submitted proposed issues for FPL, PEF and TECO as follows:

Does the fuel charge proposed by FPL/PEF/TECO contain items that do not change with the price of fuel, if so what is the amount included in its proposed fuel charge to cover these costs?

By Order No. PSC-08-0664-PCO-EI, dated October 7, 2008, the parties were permitted to brief the inclusion of FIPUG's proposed issue. FIPUG filed its memorandum in support of inclusion of the issues, and FPL/PEF/TECO filed a joint memorandum opposing the inclusion. In addition, the parties were permitted to address the inclusion of the proposed issue at the prehearing conference. Upon consideration of the memoranda and discussion, FIPUG's request to include the factual issues for FPL, PEF, and TECO is denied.


The issue as raised is factual and is not one that requires the Commission's vote. However, the factual issue raised is a prelude to a policy issue, one which FIPUG may raise in an appropriate proceeding, whether by separate petition or in next year's fuel proceeding. There is not sufficient testimony in the record before us now to consider that policy question. As FIPUG pointed out, the original order it relies on to support its policy argument was issued in 1985. If the Commission is to re-address Order 14546 and its current application, we should be afforded a complete opportunity to consider our prior orders and the testimony of intervenor and utility witnesses.

It should be noted that exclusion of this factual issue in the fuel proceeding does not preclude FIPUG or any party from conducting discovery regarding the types and amounts of costs that flow through the fuel clause. The ultimate determination of the admissibility of facts obtained through discovery will be determined by the presiding officer at the hearing.

It is therefore,

ORDERED by Commissioner Katrina J. McMurrian, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

By ORDER of Commissioner Katrina J. McMurrian, as Prehearing Officer, this 31st day of October, 2008.


KATRINA J. McMURRIAN
Commissioner and Prehearing Officer

(S E A L)

LCB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.