

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for authority to ) DOCKET NO. 931044-EI  
implement replacement rate ) FILED: July 7, 1994  
schedule for standby electric )  
service by Gulf Power Company. )

ORIGINAL  
FILE COPY

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-94-0727-PCO-EI, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

William B. Berg Issues 1, 2

b. All Known Exhibits

Berg (WBB-1) Schedule 1

c. Staff's Statement of Basic Position

No position at this time.

ACK d. Staff's Position on the Issues

AFA \_\_\_\_\_ ISSUE 1: Is the Coordinated Maintenance Month (CMM) provision on the Standby and Supplemental rate schedule appropriate?  
APP \_\_\_\_\_  
CAF \_\_\_\_\_

CMU \_\_\_\_\_ POSITION: No. This provision is unjustified and unnecessary.  
CTR \_\_\_\_\_

EAG \_\_\_\_\_ ISSUE 2: Is the annual review of the Option A daily demand charge found on the Standby and Supplemental rate schedule appropriate?  
LEG \_\_\_\_\_

LIN \_\_\_\_\_ POSITION: No. The annual review of Option A Daily Demand Charge as proposed by Gulf will result in an under-recovery of the costs the charge was designed to recover in those years when the average number of non-SE days is less than seven.  
OPC \_\_\_\_\_  
RCH \_\_\_\_\_  
SEC 1 \_\_\_\_\_  
WAS \_\_\_\_\_  
OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

06769 JUL-7 1994

FPSC-RECORDS/REPORTING

**ISSUE 3:** Is the applicability of rate charges for the above 7,499 KW demand range customers appropriate.

**POSITION:** No. At the Agenda Conference staff identified two concerns relative to the applicability of this rate charge. On its own initiative, the Company remedied the tariff to eliminate one of staff's concerns. However, the remaining issue has not been fully addressed.

It is unfair to allow at least one customer to pay a lower energy and local facilities charge for the over 7,499 KW category when its load characteristics are now extremely different from those of the other PXT customers, especially when the tariff provision precludes other customers of the same size and voltage level from being eligible for these lower charges.

**ISSUE 4:** Should the Commission approve the Gulf Power's Standby and Supplemental rate schedule?

**POSITION:** No. Staff believes that all of Gulf's concerns, as expressed in the Company's petition, would be remedied by approval of a billing arrangement that is based on established contract demands as requested by Gulf. The Commission has approved similar arrangements in the past for other utilities. The major problems with the additional three specific provisions as outlined by staff are, however, too significant for staff to recommend approval of the proposed SBS rate schedule as filed. Without these provisions staff could recommend the tariff petition.

e. Pending Motions

GULF POWER COMPANY:

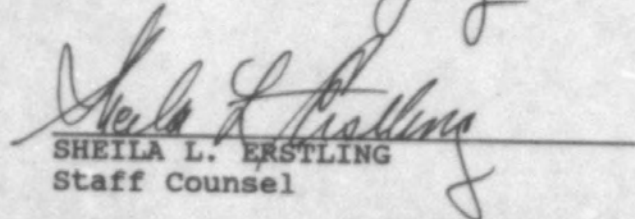
1. Request For Oral Argument On Gulf's Motion For Relief From Extraordinary Notice Requirements
2. Gulf Power Company's Motion For Relief From Extraordinary Notice Requirements

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f. Compliance with Order No. PSC-94-0727-PCO-EI

Staff believes it has fully complied with Order No. PSC-94-0727-PCO-EI.

Respectfully submitted this 7 day of July,  
1996.

  
SHEILA L. ERSTLING  
Staff Counsel

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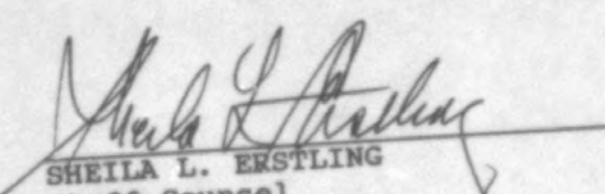
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of **STAFF'S PREHEARING STATEMENT** have been served by First Class U.S. Mail Postage Prepaid to the following parties, this 4 day of July, 1994:

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