

Gulf Power Company  
200 Bayfront Parkway  
Post Office Box 1151  
Pensacola FL 32520-0770  
Telephone 904 444-6365

7/14 8:26 am

ORIGINAL  
FILE COPY

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

the southern electric system

July 12, 1994

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 940001-EI

ACK ✓  
ATA 4 Enclosed are an original and fifteen copies of the Preliminary  
APP Statement of Gulf Power Company Regarding Issues and Positions  
to be filed in the above docket.

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

CTR  
Sincerely,

LEG *Brown*  
LIR 3 *Jack L. Haskins*

OPC lw

RCH  
SEC 1 Enclosures

WAS cci Beggs & Lane  
DTH Jeffrey A. Stone, Esquire

DOCUMENT NUMBER-DATE

06967 JUL 13 1994

"Our business is customer satisfaction"

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power )  
Cost Recovery Clauses and ) Docket No. 940001-EI  
Generating Performance Incentive ) Filed: July 13, 1994  
Factor )  
\_\_\_\_\_ )

PRELIMINARY STATEMENT OF GULF POWER COMPANY  
REGARDING ISSUES AND POSITIONS

Gulf Power Company, ("Gulf Power", "Gulf", or "the "Company"),  
by and through its undersigned attorneys, hereby files this  
preliminary statement of issues and positions, saying<sup>1</sup>:

Generic Fuel Adjustment Issues

ISSUE 1: What are the appropriate final fuel adjustment true-up  
amounts for the period October, 1993 through March,  
1994?

GULF: Under recovery \$810,768. (Gilchrist, Howell, Cranmer)

ISSUE 2: What are the estimated fuel adjustment true-up amounts  
for the period April, 1994 through September, 1994?

GULF: Under recovery \$1,969,504. (Gilchrist, Howell,  
Cranmer)

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<sup>1</sup> The issue numbers for generic issues are the same as those  
set forth in Order No. PSC-94-0266-PHO-EI, the prehearing order  
issued prior to the March 1994 hearings. At this time, Gulf is not  
taking a position on the generic oil backout issues or on any  
company-specific issues relating to other utilities. As a result,  
numeric gaps in the sequences of issues is intended. Stipulated  
issues are indicated with an asterisk in the margin.

DOCUMENT NUMBER-DATE

06967 JUL 13 1994

FPSC-RECORDS/REPORTING

ISSUE 3: What are the total fuel adjustment true-up amounts to be collected during the period October, 1994 through March, 1995?

GULF: \$2,780,272. (Cranmer)

ISSUE 4: What are the appropriate levelized fuel cost recovery factors for the period October, 1994 through March, 1995?

GULF: 2.179¢/KWH. (Gilchrist, Howell, Cranmer)

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

The factors should be effective beginning with the specified billing cycle and thereafter for the period October, 1994, through March, 1995. Billing cycles may start before October 1, 1994, and the last cycle may be read after March 31, 1995, so that each customer is billed for six months regardless of when the adjustment factor became effective.

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

**GULF:** See table below: (Cranmer)

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

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

**GULF:** See table below: (Cranmer)

Group	Rate Schedules	Fuel Cost Factors ¢/KWH		
		Standard	Time of Use	
			On-Peak	Off-Peak
A	RS, GS, GSD, OSIII, OSIV	2.206	2.253	2.191
B	LP	2.138	2.184	2.123
C	PX	2.097	2.142	2.082
D	OSI, OSII	2.205	N/A	N/A

**Company-Specific Fuel Adjustment Issues**

NONE RAISED BY GULF POWER COMPANY

**Generic Generating Performance Incentive Factor Issues**

**ISSUE 13:** What is the appropriate GPIF reward or penalty for performance achieved during the period October, 1993 through March, 1994?

**GULF:** Penalty \$84,941. (Fontaine)

**ISSUE 14:** What should the GPIF targets/ranges be for the period October, 1994 through March, 1995?

**GULF:** See table below: (Fontaine)

Unit	EAF	POF	EUOF	Heat Rate
Crist 6	83.6	8.8	7.6	10,410
Crist 7	69.2	8.8	22.0	10,317
Smith 1	87.7	8.8	3.5	10,137
Smith 2	84.8	12.6	2.6	10,237
Daniel 1	85.4	0.0	14.6	10,287
Daniel 2	94.8	0.0	5.2	9,923

EAF = Equivalent Availability Factor  
POF = Planned Outage Factor  
EUOF = Equivalent Unplanned Outage Factor

**Company-Specific GPIF Issues**

NONE RAISED BY GULF POWER COMPANY

Generic Capacity Cost Recovery Issues

ISSUE 19: What is the final capacity cost recovery true-up amount for the period October, 1993 through March, 1994?

GULF: Under recovery \$1,135,019. (Howell, Cranmer)

ISSUE 20: What is the estimated capacity cost recovery true-up amount for the period April, 1994 through September, 1994?

GULF: Over recovery \$56,118. (Howell, Cranmer)

ISSUE 21: What is the total capacity cost recovery true-up amount to be collected during the period October, 1994 through March, 1995?

GULF: \$1,078,901. (Cranmer)

ISSUE 22: What is the appropriate projected net purchased power capacity cost amount to be included in the recovery factor for the period October, 1994 through March, 1995?

GULF: \$6,956,528. (Howell, Cranmer)

**ISSUE 23:** What are the appropriate capacity cost recovery factors for the period October, 1994 through March, 1995?

**GULF:** See table below: (Cranmer)


<b>RATE CLASS</b>	<b>CAPACITY COST RECOVERY FACTORS ¢/KWH</b>
RS, RST	0.223
GS, GST	0.214
GSD, GSDT	0.170
LP, LPT	0.147
PX, PXT	0.122
OSI, OSII	0.014
OSIII	0.132
OSIV	0.015
SS	0.362

**Company-Specific Capacity Cost Recovery Issues**

NONE RAISED BY GULF POWER COMPANY

Dated this 12th day of July, 1994.

Respectfully submitted,

  
\_\_\_\_\_  
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail the 12<sup>th</sup> day of July, 1994 on the following:

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