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FILE COPY

c/o The Florida Legislature
111 West Madison Street
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July 7, 1997

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

RE: Docket No. **970171-EU**

Dear Ms. Bayó:

Enclosed are an original and fifteen copies each of the Citizens' Post-Hearing Statement of Issues and Positions and Brief of the Citizens of the State of Florida for filing in the above referenced docket.

Also Enclosed is a 3.5 inch diskette containing the Citizens' Post-Hearing Statement of Issues and Positions and Brief of the Citizens of the State of Florida in WordPerfect for Windows 6.1 format. Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

Sincerely,

John Roger Howe
Deputy Public Counsel

ACK _____
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ATT _____

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Enclosures

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Brief
DOCUMENT NO. DATE

06832 JUL-7 97

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06831 JUL-7 97

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In Re: Determination of appropriate cost allocation and regulatory treatment of total revenues associated with wholesale sales to Florida Municipal Power Agency and City of Lakeland by Tampa Electric Company.

DOCKET NO 970171-EU
FILED: July 7, 1997

CITIZENS' POST-HEARING STATEMENT OF ISSUES AND POSITIONS

ISSUE 1: Does the off-system sale agreement to the Florida Municipal Power Agency provide net benefits to Tampa Electric Company's general body of rate payers?

POSITION: *No. Tampa Electric did not prove benefits would exceed: (1) the \$3.5 million of lost gains on economy sales; (2) the lower fuel costs from reporting the FMPA and Lakeland sales at average cost pursuant to Order No. PSC-97-0262-FOF-EI; or (3) refunds required to be made under the stipulations.*

ISSUE 2: How should the non-fuel revenues and costs associated with Tampa Electric Company's wholesale schedule D sales to the Florida Municipal Power Agency be treated for retail regulatory purposes?

POSITION: *The stipulations require that the FMPA and Lakeland sales be separated in the same manner as was used in the company's last rate case. The firm portion of these long-term schedule D sales must be fully separated, and 100% of non-fuel revenues for the supplemental portion must be flowed back.*

ISSUE 3: How should the fuel revenues and costs associated with Tampa Electric Company's wholesale schedule D sales to the Florida Municipal Power Agency be treated for retail regulatory purposes?

POSITION: *Fuel costs for FMPA and Lakeland are included in the weighted-average inventory cost of fuel on Line 1 of Schedule A1. They should be deducted on a weighted-average inventory basis on Line 16 pursuant to Order No. PSC-97-0262-FOF-EI.*

RECORDED DATE
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ISSUE 4: Does the off-system sale agreement to the City of Lakeland provide net benefits to Tampa Electric Company's general body of rate payers?

POSITION: *No. Tampa Electric did not prove benefits would exceed: (1) the \$3.5 million of lost gains on economy sales; (2) the lower fuel costs from reporting the FMPA and Lakeland sales at average cost pursuant to Order No. PSC-97-0262-FOF-EI; or (3) refunds required to be made under the stipulations. *

ISSUE 5: How should the non-fuel revenues and costs associated with Tampa Electric Company's wholesale schedule D sales to the City of Lakeland be treated for retail regulatory purposes?

POSITION: *The stipulations require that the FMPA and Lakeland sales be separated in the same manner as was used in the company's last rate case. The firm portion of these long-term schedule D sales must be fully separated, and 100% of non-fuel revenues for the supplemental portion must be flowed back.*

ISSUE 6: How should the fuel revenues and costs associated with Tampa Electric Company's wholesale schedule D sales to the City of Lakeland be treated for retail regulatory purposes?

POSITION: *Fuel costs for FMPA and Lakeland are included in the weighted average inventory cost of fuel on Line 1 of Schedule A1. They should be deducted on a weighted average inventory basis on Line 16 pursuant to Order No. PSC-97-0262-FOF-EI.*

ISSUE 7: How should the transmission revenues and costs associated with Tampa Electric Company's wholesale sales to the Florida Municipal Power Agency and the City of Lakeland be treated for retail regulatory purposes?

POSITION: *Since all transmission costs are included in base rates, the only way to effect a jurisdictional separation consistent with the last case is to flow all transmission revenues back to the retail customers through the fuel clause.*

ISSUE 8: Will the Commission's treatment of the City of Lakeland and Florida Municipal Power Agency wholesale sales have an impact on Tampa Electric Company's refund obligation under the stipulation in Docket No 950379-EI, Order No. PSC 96-0670-S-EI, approved by the Commission?

POSITION: *No. Tampa Electric is bound by the stipulations and the orders approving them. The Commission cannot impair the refunds which would result from treating the FMPA and Lakeland sales in a manner consistent with the stipulations.*

ISSUE 9: Would the Commission exceed its jurisdiction if it were to allow Tampa Electric Company to earn a return through retail rates for its wholesale sales to the Florida Municipal Power Agency and to the City of Lakeland?

POSITION: *Yes. The Commission has no authority to allow revenues and costs from sales for resale under FERC's jurisdiction to affect reported earnings from retail operations or the refunds due under the stipulations, which are based on reported retail earnings levels.*

Respectfully submitted,

JACK SHREVE
Public Counsel


John Roger Howe
Deputy Public Counsel

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Attorneys for the Citizens
of the State of Florida

**CERTIFICATE OF SERVICE
DOCKET NO. 970171-EU**

I HEREBY CERTIFY that a true and correct copy of Citizens' Post-Hearing Statement of Issues and Positions, has been furnished by *Hand-delivery or U S Mail this 7th day of July, 1997 to the following:

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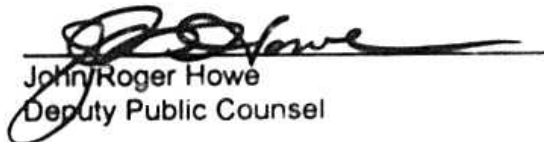
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