

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of early termination amendment to negotiated qualifying facility contract with Orlando Cogen Limited, Ltd. by Florida Power Corporation.

DOCKET NO. 901904-EQ

FILED: OCTOBER 1, 1997

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-97-0434-PCO-EQ, issued April 17, 1997, and Order No. PSC-97-1009-PCO-EQ, issued August 25, 1997, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Mr. Paul W. Stallcup

b. All Known Exhibits

Exhibit PWS-1 Comparison of 26-year Natural Gas Forecasts

Exhibit PWS-2 DRI August 1997 25 Year Gas and Coal Price Forecasts

Exhibit PWS-3 DRI August 1997 Public Utilities Structures Price Index 25 Year Growth Rates

Exhibit PWS-4 Risk Adjusted Discount Rates - OCL Contract Buyout

Exhibit PWS-5 Summary of Risk Analyses on Proposed OCL Contract Buy Out

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and 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

ACK _____
AFA _____
APP _____
CAF _____
CMU _____
CTR _____
EAG _____
JL _____
LN 2 _____
DEC _____
RCH _____
SEC 1 _____
NAS _____
OTH _____

DOCUMENT NUMBER-DATE

10001 OCT-15

FPSC-RECORDS/REPORTING

evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

Issue 1: Are the economic risks associated with projected ratepayer savings resulting from the Amendment to the Negotiated Contract between Florida Power Corporation and Orlando Cogen Limited, Ltd., reasonable?

Position: No position at this time.

Issue 2: Are the intergenerational inequities among Florida Power Corporation's ratepayers, if any, associated with the Amendment to the Negotiated Contract between Florida Power Corporation and Orlando Cogen Limited, Ltd., reasonable?

Position: No position at this time.

Issue 3: Does the Commission have a defined standard for intergenerational fairness, and if so, what is that standard?

Position: Staff believes that this issue is inappropriate because a decision on this issue is not necessary to the disposition of this case. Alternatively, Staff believes that this issue may be addressed under Issue 2.

Issue 4: Should the Amendment to the Negotiated Contract between Florida Power Corporation and Orlando Cogen Limited, Ltd., be approved for cost recovery?

Position: No position at this time.

Issue 5: If approved, how should Florida Power Corporation recover the expenses associated with the Amendment to the Negotiated Contract between Florida Power Corporation and Orlando Cogen Limited, Ltd.?

Position: No position at this time.

STAFF'S PREHEARING STATEMENT
DOCKET NO. 961184-EQ
PAGE 3

Issue 6: Should this docket be closed?

Position: No position at this time.

e. Pending Motions

Staff's Objection to Florida Power Corporation's First Set of Interrogatories Propounded to Staff and Request for Protective Order is pending.

Staff's Objection to Orlando Cogen Limited. Ltd.'s Notice of Taking Deposition Duces Tecum of Paul Stallcup and Kenneth Dudley and Motion for Protective Order is pending.

f. Compliance with Order Nos. PSC-97-0434-PCO-EQ and PSC-97-1009-PCO-EQ

Staff has complied with all requirements of the Order Establishing Procedure and the Order Modifying Procedural Schedule entered in this docket.

Respectfully submitted this 1st day of October, 1997.



WM. COCHRAN KEATING IV
Staff Counsel

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DOCKET NO. 961184-EQ
PAGE 3

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of Staff's Prehearing Statement been furnished by U.S. Mail this 1st day of October, 1997, to the following:

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