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January 24, 2002

VIA HAND DELIVERY

Blanca S. Bayo, Director
Division of Records and Reporting
Betty Easley Conference Center
4075 Esplanade Way
Tallahassee, Florida 32399-0870

Re: Docket No.: 010949-EI

Dear Ms. Bayo:

On behalf of the Florida Industrial Power Users Group (FIPUG), enclosed for filing and distribution are the original, 15 copies and a disk of the following:

- ▶ Florida Industrial Power Users Group's Prehearing Statement.

Please acknowledge receipt of the above on the extra copy of each and return the stamped copies to me. Thank you for your assistance.

Sincerely,

Vicki Gordon Kaufman
Vicki Gordon Kaufman

VGK/mls
Enclosure

AUS
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ECR
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McWHIRTER, REEVES, MCGLOTHLIN, DAVIDSON, DECKER, KAUFMAN, ARNOLD & STEEN, P.A.

DOCUMENT NUMBER - DATE
00897 JAN 24 02
FPSC-COMPLIANCE CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for Rate Increase by
Gulf Power Company

Docket No.: 010949-EI
Filed: January 24, 2002

**THE FLORIDA INDUSTRIAL POWER USERS
GROUP'S PREHEARING STATEMENT**

The Florida Industrial Power Users Group (FIPUG), pursuant to Order No. PSC-01-2035-PCO-EI, hereby files its Prehearing Statement.

A. APPEARANCES:

JOHN W. MCWHIRTER, JR., McWhirter Reeves McGlothlin Davidson Decker Kaufman Arnold & Steen, P.A., 400 North Tampa Street, Suite 2450, Tampa, Florida 33601-3350 and **VICKI GORDON KAUFMAN and TIMOTHY J. PERRY**, McWhirter Reeves McGlothlin Davidson Decker Kaufman Arnold & Steen, P.A., 117 South Gadsden Street, Tallahassee, Florida 32301

On Behalf of the Florida Industrial Power Users Group.

B. WITNESSES:

None.

C. EXHIBITS:

None.

D. STATEMENT OF BASIC POSITION:

The Commission should set Gulf's revenue requirements at an appropriate level and adopt the cost of service methodology Gulf proposes.

E. STATEMENT OF ISSUES AND POSITIONS:

TEST PERIOD

ISSUE 1: Is Gulf's projected test period of the 12 months ending May 31, 2003 (May 2003 projected test year) appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 2: Are Gulf's forecasts of Customers, KWH, and KW by Rate Class, for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

QUALITY OF SERVICE

ISSUE 3: Should Gulf be required to establish a mechanism that would provide for a payment or credit to retail customers if frequent outages occur?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 4: Should adjustments be made to Gulf's projected test year due to customer complaints?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 5: Is the quality of electric service provided by Gulf adequate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 6: Is Gulf's requested level of Plant in Service in the amount of \$1,966,492,000 (\$2,015,013,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 7: What adjustments should be made to Accumulated Depreciation to reflect the Commission's decision in Docket No. 010789-EI?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 8: Is Gulf's requested level of Accumulated Depreciation in the amount of \$854,099,000 (\$876,236,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 9: Is Gulf's requested level of Construction Work in Progress in the amount of \$15,850,000(\$16,361,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 10: Should an adjustment be made to Plant Held for Future Use for Gulf's inclusion of the Caryville site in rate base?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 11: Is Gulf's requested level of Property Held for Future Use in the amount of \$3,065,000 (\$3,164,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 12: Should an adjustment be made to prepaid pension expense in its calculation of working capital?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 13: Should an adjustment be made to rate base for unfunded Other Post-retirement Employee Benefit (OPEB) liability?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 14: Should any adjustments be made to Gulf's fuel inventories?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position in this issue by the date of the prehearing conference.

ISSUE 15: Is Gulf's requested level of Working Capital in the amount of \$67,194,000 (\$69,342,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 16: What is the appropriate regulatory treatment for the balance sheet impacts from FAS 133 for Gulf?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 17: Is Gulf's requested rate base in the amount of \$1,198,502,000 (\$1,227,644,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

COST OF CAPITAL

ISSUE 18: Has Gulf appropriately reflected Internal Revenue Service Notice 2001-82 in its projected May 2003 test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 19: What is the appropriate amount of accumulated deferred taxes to include in the capital structure?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 20: What is the appropriate amount and cost rate of the unamortized investment tax credits to include in the capital structure?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 21: Have rate base and capital structure been reconciled appropriately?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 22: What is the appropriate cost rate for short-term debt for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 23: What is the appropriate cost rate for long-term debt for the may 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 24: In setting Gulf's ROE for use in establishing Gulf's revenue requirements and Gulf's authorized range, should the Commission make an adjustment to reject Gulf's performance?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 25: What is the appropriate return on equity (ROE) to use in establishing Gulf's revenue requirement?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 26: What is the appropriate weighted average cost of capital including the proper components, amounts and cost rates associated with the capital structure?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 27: What is the appropriate authorized range on ROE to be used by Gulf for regulatory purposes on a prospective basis?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

NET OPERATING INCOME

ISSUE 28: Is Gulf's projected level of Total Operating Revenues in the amount of \$372,714,000 (\$379,009,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 29: What are the appropriate inflation factors for use in forecasting the test year budget?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 30: Should the commission accept Gulf Power's modified zero based budget as support for the requested increase?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 31: Is Gulf's requested level of O&M Expense in the amount of \$182,419,000 (\$186,354,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 32: Should wholesale energy costs to Gulf Power be adjusted?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 33: Has Gulf made the appropriate test year adjustments to remove fuel revenues and fuel expenses recoverable through the Fuel Adjustment Clause?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 34: Has Gulf made the appropriate test year adjustments to remove conservation revenues and conservation expenses recoverable through the Conservation Cost Recovery Clause?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 35: Has Gulf made the appropriate test year adjustments to remove capacity revenues and capacity expenses recoverable through the Capacity Cost Recovery Clause?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 36: Has Gulf made the appropriate test year adjustments to remove environmental revenues and environmental expenses recoverable through the Environmental Cost Recovery Clause?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 37: What are the appropriate adjustments, if any, to Gulf's test year operating expenses to account for the additional security measures implemented in response to the increased threat of terrorist attacks since September 11, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 38: Should an adjustment be made to advertising expenses for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 39: Has Gulf made the appropriate adjustments to remove lobbying expenses from the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 40: Should an accrual for incentive compensation be allowed?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 41: Should an adjustment be made to Gulf's requested level of Salaries and Employee Benefits for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 42: Should an adjustment be made to Other Post Employment Benefits Expense for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 43: Should an adjustment be made to Pension Expense for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 44: Should adjustments be made for the net operating income effects of transactions with

affiliated companies for Gulf?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 45: Should an adjustment be made to the accrual for storm damage for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 46: Should an adjustment be made to the accrual for the Injuries & Damages reserve for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 47: Should interest on tax deficiencies for the May 2003 projected test year be included above-the-line?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 48: Should an adjustment be made to Rate Case Expense for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 49: Should an adjustment be made to marketing expenses for Gulf's marketing of high efficiency electric technologies for heating and water heating?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 50: What is the appropriate amount of expense to include for planned outages?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 51: What is the appropriate amount of expense to include for special projects?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this

issue by the date of the prehearing conference.

ISSUE 52: Should an adjustment be made to Production Expenses for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 53: Should an adjustment be made to Transmission Expenses for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 54: Should an adjustment be made to cable inspection expense?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 55: Should an adjustment be made to substation maintenance expense?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 56: Should adjustments be made to tree trimming expense?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 57: Should an adjustment be made to pole line inspection expense?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 58: Should an adjustment be made to street and outdoor light maintenance expense?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 59: Should an adjustment be made to Distribution Expenses for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this

issue by the date of the prehearing conference.

ISSUE 60: Should an adjustment be made to Bad Debt Expense for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 61: Should an adjustment be made to Customer Accounts Expense for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 62: If the deferral of the return on the third floor of the corporate offices is allowed in rate base, what amortization period should be used?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 63: What adjustments, if any, should be made to the depreciation expense and the fossil dismantlement accrual to reflect the Commission's decision in Docket No. 010789-EI?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 64: What is the appropriate depreciation rate and dismantlement provision for Smith Unit 3?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 65: Should an adjustment be made to Depreciation Expense for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 66: What adjustments, if any, should be made to the projected test year expenses to recognize implementation of FAS 143?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this

issue by the date of the prehearing conference.

ISSUE 67: What adjustments, if any, should be made to the projected test year expenses to recognize implementation of the AcSEC Statement of Position regarding accounting for certain costs and activities related to property, plant, and equipment?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 68: Should the total amount of Gross Receipts tax be removed from base rates and shown as a separate line item on the bill?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 69: Should an adjustment be made to Taxes Other Than Income Taxes for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 70: Should an adjustment be made to the consolidating tax adjustments for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 71: Should an adjustment be made to Income Tax expense for the May 2003 projected test year?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 72: Is Gulf's projected Net Operating Income in the amount of \$61,378,000 (\$61,658,000 system) for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

REVENUE REQUIREMENTS

ISSUE 73: What is the appropriate revenue expansion factor and the appropriate net operating income multiplier, including the appropriate elements and rates for Gulf?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 74: Is Gulf's requested annual operating revenue increase of \$69,867,000 for the May 2003 projected test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

COST OF SERVICE AND RATE DESIGN

ISSUE 75: Is Gulf's proposed separation of costs and revenues between the wholesale and retail jurisdictions appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 76: Are Gulf's estimated revenues from sales of electricity by rate class at present rates for the projected 2003 test year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 77: Is the method used by Gulf to develop its estimates by rate class of the 12 monthly coincident peak hour demands and the class non-coincident peak hour demands appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 78: What is the appropriate cost of service methodology to be used in designing Gulf's rates?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 79: What is the appropriate treatment of distribution costs within the cost of service study?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 80: If a revenue increase is granted, how should it be allocated among the customer

classes?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 81: What are the appropriate demand charges?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 82: What are the appropriate energy charges?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 83: What are the appropriate customer charges?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 84: What are the appropriate service charges?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 85: What are the appropriate Street (OS-I) and Outdoor (OS-II) lighting rate schedule charges?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 86: How should Gulf's time-of-use rates be designed?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 87: What are the appropriate charges under the Interruptible Standby Service (ISS) rate schedule?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 88: What are the appropriate charges under the Standby and Supplementary Service

(SBS) rate schedule?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 89: What is the appropriate rate design for Gulf's Real Time Pricing (RTP) rate schedule?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 90: What is the appropriate monthly charge under Gulf's Goodcents Surge Protection (GCSP) rate schedule?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 91: What are the appropriate transformer ownership discounts?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 92: What is the appropriate minimum monthly bill demand charge under the PX rate schedule?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 93: What is the appropriate minimum monthly bill demand charge under the PXT rate schedule?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 94: If the Commission decides to recognize migrations between rate classes, how should the revenue shortfall, if any, be recovered?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 95: Should Gulf's GST and RST rate schedules be eliminated?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this

issue by the date of the prehearing conference.

ISSUE 96: Should Gulf's Supplemental Energy (SE) Rate Rider be eliminated?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 97: Gulf proposes to eliminate the Optional Method of Meter Payment provision in its GSDT rate schedule that allows customers to make an initial payment as a contribution-in-aid-of-construction to offset a portion of the additional cost of time-of-use metering. Is this appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 98: Should Gulf eliminate its OS-IV rate schedule and transfer the customers served under the rate to their otherwise applicable rate schedules, as required by order No. 23573 in Docket No. 891345-EI?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 99: Should the proposed changes to Gulf's Standby and Supplementary Service Rate (SBS) be approved?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 100: What is the appropriate monthly fixed charge carrying rate to be applied to the installed cost of OS-I and OS-II additional lighting facilities for which there is no tariffed monthly charge?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 101: Are the proposed revisions to the estimated kilowatt hour consumption of Gulf's high pressure sodium and metal halide lighting fixtures appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 102: Gulf has proposed to add a provision to its OS-I and OS-II lighting schedules that allows customers to change to different fixtures prior to the expiration of the initial

lighting contract term. Is this provision appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 103: Should the Street Lighting (OS-I) and Outdoor Lighting (OS-II) subparts of Gulf's Outdoor Service rate schedule be merged?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 104: Should Gulf's proposed methodology for determining the price of new street and outdoor lighting offerings be approved?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 105: Should Gulf's proposed new FlatBill pilot program be approved?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 106: Should Gulf's proposed new Rate Schedule GSTOU be approved?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 107: Is Gulf's proposed reduction in the contract term required under its Real Time Pricing (RTP) rate schedule from five years to one year appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 108: Is Gulf's GoodCents Select Program cost effective?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 109: What is the appropriate design and level of charges for the Residential Service Variable Pricing (RSVP) rate schedule?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 110: Are Gulf's proposed changes to the P2 and P3 pricing periods under its RSVP rate schedule appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 111: Are Gulf's proposed changes to the Participation Charge and Reinstallation Fee charged under Rate RSVP appropriate?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 112: Should Gulf's proposed changes to the applicability section of its Budget Billing optional rider be approved?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

OTHER ISSUES

ISSUE 113: How will this docket be affected if the provisions in the Stipulation approved in Order No. PSC-99-2131-S-EI are not achieved?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 114: Should Gulf be required to file, within 60 days after the date of the final order in this docket, a description of all entries or adjustments to its annual report, rate of return reports, and books and records which will be required as a result of the Commission's findings in this rate case?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

F. STIPULATED ISSUES:

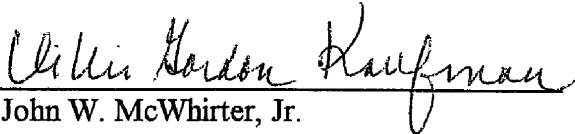
None at this time.

G. PENDING MOTIONS:

None.

H. OTHER MATTERS:

None.



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing Florida Industrial Power Users Group's Response to Gulf's Motion for Protective Order has been furnished by (*) hand delivery, or U.S. Mail this 24th day of January, 2002, to the following:

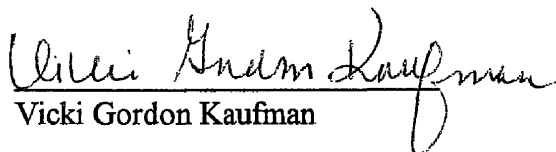
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