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October 15, 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.: 020001-EI

RECEIVED - FPSC  
02 OCT 15 PM 3:54  
COMMISSION  
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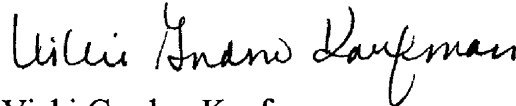
Dear Ms. Bayo:

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

- ▶ FIPUG's Preliminary List of Issues and Positions.

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

AUS	VGK/bae
CAF	Enclosure
CMP	_____
COM	5
CTR	_____
ECR	_____
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FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Fuel and purchased power  
cost recovery clause and  
generating performance incentive  
factor.

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Docket No. 020001-EI

Filed: October 15, 2002

**FIPUG'S PRELIMINARY LIST OF ISSUES AND POSITIONS**

Pursuant to the Case Assignment and Scheduling Record (CASR) in this docket, the Florida Industrial Power Users Group (FIPUG) files its Preliminary List of Issues and Positions. FIPUG reserves the right to amend this preliminary statement.

**PRELIMINARY ISSUES**

**Generic Fuel Adjustment Issues**

**ISSUE 1:** What are the appropriate final fuel adjustment true-up amounts for the period January 2001 through December 2001?

**FIPUG:** FIPUG contends that Tampa Electric Company's (TECo) true-up for 2001 fuel cost underrecoveries should be considered part of TECo's average fuel costs and be collected from wholesale as well as retail customers.

**ISSUE 2:** What are the appropriate estimated/actual fuel adjustment true-up amounts for the period January 2002 through December 2002?

**FIPUG:** FIPUG contends that for the months of January and June through September, TECo's fuel cost revenues should be adjusted to credit retail customers with the difference between the fuel cost charged to Hardee Power Partners (HPP) and system average fuel cost; or in the alternative, TECo should provide proof that retail customers are continuing to benefit from the sales to an unregulated affiliate at less than average fuel cost. FIPUG further contends that purchases from HPP should be adjusted to average fuel cost.

**ISSUE 3:** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2003 to December 2003?

**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:** What are the appropriate levelized fuel cost recovery factors for the period January 2003 to December 2003?

**FIPUG:** The true up fuel cost factor for TECo should be adjusted from 0.01756 to 0.01704 and the Peabody coal buyout amortization surcharge should be adjusted from 0.01760 to 0.01708 to fairly allocate these fuel costs between retail and wholesale customers.

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

**FIPUG:** The new factors should be effective beginning with the first billing cycle for January 2003 and thereafter through the last billing cycle for December 2003. The first billing cycle may start before January 1, 2003, and the last billing cycle may end after December 30, 2003, so long as each customer is billed for twelve months regardless of when the factors become effective.

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

**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 are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

**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:** What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2003 to December 2003?

**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:** What is the appropriate benchmark level for calendar year 2002 for gains on non-separated wholesale energy sales eligible for a shareholder incentive as set forth by Order No. PSC-00-1744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, for each investor-owned electric utility?

**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:** What is the appropriate estimated benchmark level for calendar year 2003 for gains on non-separated wholesale energy sales eligible for a shareholder incentive as set forth by Order No. PSC-00-1744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, for each investor-owned electric utility.

**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.

### **GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES**

**ISSUE 11:** What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2001 through December 2001 for each investor-owned electric utility subject to the GPIF?

**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:** What should the GPIF targets/ranges be for the period January, 2003 through December 2003 for each investor-owned electric utility subject to the GPIF?

**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.

### **GENERIC CAPACITY COST RECOVERY FACTOR ISSUES**

**ISSUE 13:** What are the appropriate final capacity cost recovery true-up amounts for the period January 2001 through December 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 14:** What are the appropriate estimated/actual capacity cost recovery true-up amounts for the period January 2002 through December 2002?

**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 15:** What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2003 through December 2003?

**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 are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2003 through December 2003?

**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:** What are the appropriate jurisdictional separation factors to be applied to determine the capacity costs to be recovered during the period January 2003 through December 2003?

**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.

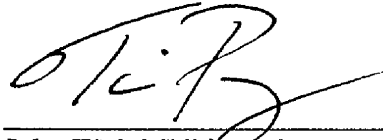
**ISSUE 18:** What are the projected capacity cost recovery factors for each rate class/delivery class for the period January 2003 through December 2003?

**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.

#### **FIPUG ISSUES**

**ISSUE 19:** What action should the Commission take to protect retail customers from fuel cost increases that result from the sale of the Polk #1 gasifier.

**FIPUG:** The Commission should enter a directive that Tampa Electric continue to use the cost of coal as the fuel for the Polk # 1 generating unit if it goes forward with the announced sale of the Polk #1 gasifier unit.



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**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing FIPUG's Preliminary List of Issues and Positions has been furnished by (\*) hand delivery, or U.S. Mail this 15th day of October 2002, to the following:

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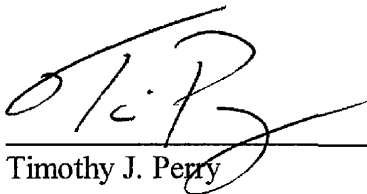
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