



October 22, 2002

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 020002-EG

Enclosed are an original and ten copies of the Prehearing Statement of Gulf Power Company to be filed in the above docket.

Also enclosed is a 3.5 inch double sided, high density diskette containing the Statement in Microsoft Word format as prepared on a Windows NT based computer.

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Ritenour".

Susan D. Ritenour
Assistant Secretary and Assistant Treasurer

lw

cc: Beggs and Lane
Jeffrey A. Stone, Esquire

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery)
Clause)
)
_____)

Docket No. 020002-EG
Date Filed: October 23, 2002

PREHEARING STATEMENT OF GULF POWER COMPANY

Gulf Power Company, (“Gulf Power”, “Gulf”, or “the Company”), by and through its undersigned attorneys, and pursuant to Order PSC-02-0335-PCO-EG and Rule 25-22.038(3), Florida Administrative Code, files this prehearing statement, saying:

A. APPEARANCES:

JEFFREY A. STONE, Esquire, and RUSSELL A. BADDERS,
Esquire, of Beggs & Lane, P.O. Box 12950, Pensacola, FL
32591-2950
On behalf of Gulf Power Company.

B. WITNESSES: All witnesses known at this time, who may be called by Gulf Power Company, along with the subject matter and issue numbers which will be covered by the witness' testimony, are as follows:

<u>Witness (Direct)</u>	<u>Subject Matter</u>	<u>Issues</u>
1. Michael J. McCarthy	True-up; components of Gulf's conservation plan and associated costs; projections and program results	1, 2, 3

C. EXHIBITS:

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
<u> </u> (MJM-1)	McCarthy	Schedules CT-1 through CT-6
<u> </u> (MJM-2)	McCarthy	Schedules C-1 through C-5

D. STATEMENT OF BASIC POSITION

Gulf Power Company's Statement of Basic Position:

It is the basic position of Gulf Power Company that the proposed ECCR factors present the best estimate of Gulf's Conservation expense for the period January 2003 through December 2003, including the true-up calculations and other adjustments allowed by the Commission.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Energy Conservation Cost Recovery Issues

ISSUE 1: What is the final end-of-period true-up amount for the period January 2001 through December 2001?

GULF: Under recovery \$679,319. (McCarthy)

ISSUE 2: What are the appropriate conservation cost recovery factors by customer class for the period January 1, 2003 through December 2003?

GULF: See table below:

RATE CLASS	CONSERVATION COST RECOVERY FACTORS ¢/KWH
RS, RSVP	0.061
GS, GST	0.061
GSD, GSDT	0.057
LP, LPT	0.055
PX, PXT, RTP, CSA	0.052
OSI/II	0.047
OSIII	0.054
OSIV	0.047
SBS	0.052

(McCarthy).

ISSUE 3: What should be the effective date of the conservation cost recovery factors for billing purposes?

GULF: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2003 through December 2003. Billing cycles may start before January 1, 2003, and the last cycle may be read after December 31, 2003, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

F. STIPULATED ISSUES

GULF: Yet to be determined. Gulf is willing to stipulate that the testimony of all witnesses whom no one wishes to cross examine be inserted into the record as though read, cross examination be waived, and the witness's attendance at the hearing be excused.

G. PENDING MOTIONS:

GULF: None.

H. OTHER MATTERS:

GULF: To the best knowledge of counsel, Gulf has complied, or is able to comply, with all requirements set forth in the orders on procedure and/or the Commission rules governing this prehearing statement. If other issues are raised for determination at the hearings set for November 20-22, 2002, Gulf respectfully requests an opportunity to submit additional statements of position and, if necessary, file additional testimony.

Dated this ^{22nd} day of October, 2002.

Respectfully submitted,



JEFFREY A. STONE
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RUSSELL A. BADDERS
Florida Bar No. 007455

R. ANDREW KENT
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Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery)
_____)

Docket No. 020002-EG

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 29th day of October 2002 to the following:

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