

Charles J. Beck Interim Public Counsel

## STATE OF FLORIDA OFFICE OF THE PUBLIC COUNSEL

c/o THE FLORIDA LEGISLATURE 111 WEST MADISON ST. ROOM 812 TALLAHASSEE, FLORIDA 32399-1400 850-488-9330

October 30, 2003

JOHNNIE BYRD



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

RE: Docket No. 030001-EI

Dear Ms. Bayó:

Enclosed for filing in the above-referenced docket are the original and fifteen (15) copies of Public Counsel's Amended Prehearing Statement, Issue 13E, together with a diskette containing the electronic version. The enclosed diskette is HD density, the operating system is Windows 2000, and the word processing software in which the document appears is Word 2000

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

Robert Vandiver Associate Public Counsel

RV/pwd Enclosures

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## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. Docket No. 030001-EI

Filed: October 30, 2003

## AMENDED PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

Office of Public Counsel hereby submits revised position on issue 13E as follows:

- ISSUE 13E: Should the Commission modify or eliminate the method for calculating Progress Energy Florida's market price proxy for waterborne coal transportation that was established by Order No. PSC-93-1331-FOF-EI, issued September 13, 1993, in Docket No. 930001-EI?
- **OPC POSITION:** Yes. The Commission should discontinue use of the current PEF's market price proxy effective December 31, 2002. For 2003 and 2004, the Commission should order cost recovery for Progress Energy Florida coal transport consistent with the amounts determined through the staff audit as described in testimony of staff witness McNulty, Page 10 Lines 17-23. During 2004, the Commission should reexamine the terms and conditions of the market price proxy.

In addition Office of Public Counsel's basic position should be amended as follows:

**OPC POSITION:** Tampa Electric's decision to close the Gannon units early was an economic decision that benefits the company with O&M savings while customers are forced to pay higher fuel costs. The Commission should reduce fuel clause recovery from customers in order to share the advantages gained by the company with its customers.

The Commission should set aside and reexamine the existing water transportation benchmarks for Tampa Electric Company. <u>PEF's current</u> market price should be discontinued effective December 31, 2002. For 2003 and 2004, coal transportation rates should be reset consistent with the staff audit per witness McNulty testimony, Page 10 Lines 17-23. The Progress Energy Florida market price proxy should be reexamined in 2004.

Dated this 30<sup>th</sup> day of October, 2003.

Respectfully submitted,

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ROBERT VANDIVER FLA. BAR NO. 334052 ASSOCIATE PUBLIC COUNSEL OFFICE OF PUBLIC COUNSEL c/o THE FLORIDA LEGISLATURE 111 WEST MADISON ST, RM. 812 TALLAHASSEE, FL 32399-1400 (850) 488-9330

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 30th day of October, 2003, to the following:

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