

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Fuel and Purchased Power  
Cost Recovery Clause with Generating  
Performance Incentive Factor.

Docket No. 040001-EI  
Filed: October 4, 2004

COMMISSION  
CLERK

THE FLORIDA INDUSTRIAL POWER USERS GROUP'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 issue list.

**GENERIC FUEL ADJUSTMENT ISSUES**

**ISSUE 1:** What are the appropriate fuel adjustment true-up amounts for the period January 2003 through December 2003?

**ISSUE 2:** What are the appropriate fuel adjustment true-up amounts for the period January 2004 through December 2004?

**ISSUE 3:** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2005 to December 2005?

**ISSUE 4:** 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 2005 through December 2005?

**ISSUE 5:** What are the appropriate projected net fuel and purchased power cost recovery amounts to be included in the recovery factor for the period January 2005 through December 2005?

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COM 5 \_\_\_\_\_

CTR \_\_\_\_\_

ECR \_\_\_\_\_

GCL \_\_\_\_\_

OPC \_\_\_\_\_

MMS \_\_\_\_\_

RCA \_\_\_\_\_

SCR \_\_\_\_\_

SEC 1 \_\_\_\_\_

OTH \_\_\_\_\_

**ISSUE 6:** What are the appropriate levelized fuel cost recovery factors for the period January 2005 through December 2005?

**ISSUE 7:** 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?

**ISSUE 8:** What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

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**ISSUE 9:** What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

**ISSUE 10:** What are the appropriate actual benchmark levels for calendar year 2004 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

**ISSUE 11:** What are the appropriate estimated benchmark levels for calendar year 2005 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

## **COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES**

### **Progress Energy Florida**

**ISSUE 12A:** Are ratepayers being properly credited for the reduced costs of Progress Energy Florida's waterborne coal transportation as a result of the parties' settlement and the Commission's approval of such settlement in Order No. PSC-04-0713-AS-EI in Docket No. 031057-EI?

**ISSUE 12B:** Has Progress Energy Florida provided sufficient evidence of fuel savings to justify charging depreciation and a return in the amount of approximately \$37 million related to the Hines plant?

**ISSUE 12C:** Should all issues related to the purchase power agreements between Progress Energy Florida and Southern Company be removed for consideration and reviewed in a separate docket?<sup>1</sup>

**ISSUE 12D:** If the Commission does not spin off the proposed UPS contracts, should the Commission require Progress Energy to explore alternatives in the wholesale market prior to seeking approval of the proposed UPS contracts?

**ISSUE 12E:** If the Commission does not spin off the proposed UPS contracts, has Progress Energy adequately supported its request for approval of the proposed UPS contracts?

**ISSUE 12F:** In calculating the on peak and off peak fuel cost factors Progress Energy Florida uses average marginal cost as opposed to the average cost methodology the other utilities use, resulting in a smaller on peak/ off peak differential. Does this send the proper price signals to consumers?

### **Florida Power & Light Company**

**ISSUE 13A:** Should the issues related to the purchase power agreements between FPL and Southern Company be removed for consideration in a separate docket?<sup>2</sup>

<sup>1</sup> FIPUG reserves the right to raise new issues related to the purchase power agreements if the Commission denies its removal request.

<sup>2</sup> FIPUG reserves the right to raise new issues related to the purchase power agreements if the Commission denies its

**ISSUE 13B:** If the Commission does not spin off the proposed UPS contracts, should the Commission require FPL to explore alternatives in the wholesale market prior to seeking approval of the proposed UPS contracts?

**ISSUE 13C:** If the Commission does not spin off the proposed UPS contracts, has FPL adequately supported its request for approval of the proposed UPS contracts?

### **Florida Public Utilities Company**

None at this time.

### **Gulf Power Company**

None at this time.

### **Tampa Electric Company**

**ISSUE 16A:** Are ratepayers being properly credited for the reduced costs of TECo's waterborne coal transportation as a result of the Commission's decision in Docket No. 031033-EI?

**ISSUE 16B:** In February and August 2004, Tampa Electric acknowledged that its 2003 under recovery estimate was over stated by \$39,039,043. Jordan Exhibit E-1B, filed August 10, 2004, appears to charge interest on the 2004 under collections, but gives consumers no interest payment credit for their 2003 over payments to Tampa Electric. Should consumers be credited for their interest overpayment?

**ISSUE 16C:** Are the fuel charges for TECo's purchases from Hardee Power Partners, shown on Schedule E-7, reasonable?

**ISSUE 16D:** Should Tampa Electric include capacity payments in the total cost column for Exhibit E-7?

**ISSUE 16E:** Has Tampa Electric provided enough information in the confidential testimony<sup>3</sup> of Benjamin F. Smith for the parties to determine whether or not the purchased power agreement he describes at page 4 of his testimony is in customers' best interest?

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

**ISSUE 17:** What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2003 through December 2003 for each investor-owned electric utility subject to the GPIF?

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removal request.

<sup>3</sup> FIPUG questions the propriety of Tampa Electric's confidentiality request regarding the contract and reserves the right to raise this issue.

**ISSUE 18:** What should the GPIF targets/ranges be for the period January 2005 through December 2005 for each investor-owned electric utility subject to the GPIF?

**COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES**

**Progress Energy Florida**

None at this time.

**Florida Power & Light Company**

None at this time.

**Gulf Power Company**

None at this time.

**Tampa Electric Company**

None at this time.

**GENERIC CAPACITY COST RECOVERY FACTOR ISSUES**

**ISSUE 23:** What are the appropriate capacity cost recovery true-up amounts for the period January 2003 through December 2003?

**ISSUE 24:** What are the appropriate capacity cost recovery true-up amounts for the period January 2004 through December 2004?

**ISSUE 25:** What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2005 through December 2005?

**ISSUE 26:** What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2005 through December 2005?

**ISSUE 27:** What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2005 through December 2005?

**ISSUE 28:** What are the appropriate capacity cost recovery factors for the period January 2005 through December 2005?

**COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES**

**Progress Energy Florida**

None at this time.

**Florida Power & Light Company**

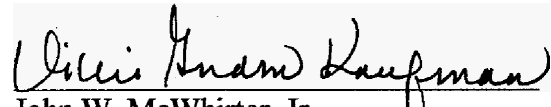
None at this time.

**Gulf Power Company**

None at this time.

**Tampa Electric Company**

None at this time.

  
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## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing FIPUG Preliminary List of Issues and Positions has been furnished by (\*) hand delivery, and U.S. Mail this 4<sup>th</sup> day of October, 2004, to the following:

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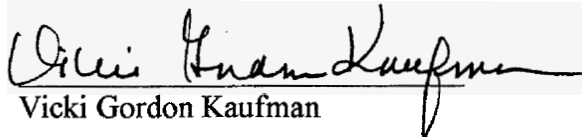
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