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October 9, 2015

Ms. Carlotta Stauffer, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

RE: Docket No. 150002-EG

Dear Ms. Stauffer:

Attached is the Prehearing Statement of Gulf Power Company to be filed in the abovereferenced docket. Pursuant to the Order Establishing Procedure, a copy of this Prehearing Statement prepared using Microsoft Word is being provided to Commission staff and all parties.

Sincerely,

Robert L. MI-Son f.

Robert L. McGee, Jr. Regulatory and Pricing Manager

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Attachments

cc: Beggs & Lane Jeffrey A. Stone, Esq.

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery)Docket No.150002-EGClause)Date Filed:October 9, 2015

#### 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 No. PSC-15-0100-PCO-EG, issued February 10,

2015 and Order No. PSC-15-0204-PCO-PU, issued May 21, 2015, establishing the prehearing

procedure in this docket, files this prehearing statement, saying:

#### A. APPEARANCES

JEFFREY A. STONE, Esquire, RUSSELL A. BADDERS, Esquire and STEVEN R. GRIFFIN, 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</u> ( <u>Direct</u> )	Subject Matter	<u>Issues</u>
I. John N. Floyd	True-up; components of Gulf's conservation plan and associated costs; projections and program results	1, 2, 3, 4, 7

# C. EXHIBITS

Exhibit Number	Witness	Description
(JNF-1)	Floyd	Schedules CT-1 through CT-6
(JNF-2)	Floyd	Schedules C-1 through C-6

## 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 at this time for the period January 2016 through December 2016, 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 are the final conservation cost recovery true-up amounts for the period January 2014 through December 2014?
- **<u>GULF:</u>** Over recovery of \$560,637. (Floyd)
- **ISSUE 2:** What are the total conservation cost recovery amounts to be collected during the period January 2016 through December 2016?
- <u>GULF:</u> Recovery of \$7,021,249 (including prior true-up amounts and revenue taxes). (Floyd)

- **ISSUE 3:** What are the conservation cost recovery factors for the period January 2016 through December 2016?
- **<u>GULF:</u>** The Company's proposed conservation cost recovery factors by customer class for the period January 2016 through December 2016 are as follows: (Floyd)

RATE CLASS	CONSERVATION COST RECOVERY FACTORS ¢/kWh
RS	.068
RSVP, Tier 1	(3.000)
RSVP, Tier 2	(1.672)
RSVP, Tier 3	5.672
RSVP, Tier 4	56.374
RSTOU On-peak	17.000
RSTOU Off-peak	(3.096)
GS	.065
GSD, GSDT, GSTOU	.062
LP, LPT	.059
PX, PXT, RTP, SBS	.057
OSI, OSII	.046
OSIII	.058

- **ISSUE 4**: What should be the effective date of the new conservation cost recovery factors for billing purposes?
- **<u>GULF:</u>** The new conservation cost recovery factors should be effective beginning with the first billing cycle for January 2016 and thereafter through the last billing cycle for December 2016. The first billing cycle may start before January 1, 2016, and the last cycle may be read after December 31, 2016, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Floyd)

- **ISSUE 7**: Should the Commission approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding?
- **<u>GULF:</u>** Yes. The Commission should approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. (Floyd)

## F. STIPULATED ISSUES

**<u>GULF:</u>** 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. PENDING CONFIDENTIALITY REQUEST

GULF: None.

# I. 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 2-5, 2015, Gulf respectfully requests an opportunity to submit additional statements of position and, if necessary, file additional testimony.

Dated this 9<sup>th</sup> day of October, 2015.

Respectfully submitted,

JEFFREY<sup>A</sup>. STONE jas@beggslane.com Florida Bar No. 0325953 RUSSELL A. BADDERS rab@beggslane.com Florida Bar No. 0007455 STEVEN R. GRIFFIN srg@beggslane.com Florida Bar No. 0627569 Beggs & Lane P. O. Box 12950 Pensacola, FL 32591-2950 (850) 432-2451 Attorneys for Gulf Power Company IN RE: Energy Conservation Cost Recovery Clause

Docket No.: 150002-EG

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 9th day of October, 2015 to the following:

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Florida Industrial Power Users Group

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