

January 18, 1994

Steve Tribble, Director
Division of Public Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399

940001-6I

In re: Docket No. ~~94001-6I~~

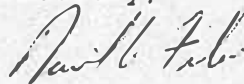
Fuel and Purchased Power Cost Recovery Clause and Generating
Performance Incentive Factor.

Dear Mr. Tribble,

Please find enclosed the original and fifteen copies of the
Petition For Intervention to be filed by the United Mine Workers of
America(UMWA) in the above cited docket.

Thank you for your attention in this matter.

Sincerely,



David Filar
Legal Assistant for
Suzanne Brownless
Attorney for UMWA

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power Cost) Docket No. 940001-EI
Recovery Clause and Generating)
Performance Incentive Factor.)
_____)

PETITION FOR INTERVENTION

Pursuant to Rules 25-22.036 and 25-22.039, Florida Administrative Code, the United Mine Workers of America (Applicant, UMWA), hereby requests that it be allowed to intervene in this docket and in support thereof states as follows:

1. The name and address of the Applicant:

United Mine Workers of America
900 15th Street, N.W.
Washington, D.C. 20005

2. Notices and communications with respect to this petition and docket should be addressed to:

Suzanne Brownless	Eugene M. Trisko, Esquire
Suzanne Brownless, P.A.	P. O. Box 596
2546 Blaiirstone Pines Drive	Berkeley Springs, WV 25411
Tallahassee, Florida 32301	Phone: (304) 258-1977
Phone: (904) 877-5200	

3. Applicant is engaged in the representation of coal miners nationwide.

4. In Docket No. 921155-EI, Gulf Power Company (Gulf) proposed a Clean Air Act Compliance Plan which addressed Gulf's strategies to comply with the Phase I and Phase II acid rain control requirements of Title IV of the 1992 Clean Air Act Amendments. As proposed to the Commission in Docket No. 921155-EI, and subsequently approved by the Commission in Order No. PSC-93-1376-FOF-EI, issued on September 20, 1993, Gulf's Phase I compliance strategy essentially consists of switching from high-

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Suzanne Brownless, P. A., 2546 Blair Stone Pines Drive, Tallahassee, Florida 32301

FILE REPLYING

sulfur coal produced by miners represented by the Applicant to low-sulfur coal available from foreign or other sources.

5. In Docket No. 930613-EI, Gulf is seeking to recover the costs of purchased emission allowances, plant modifications, and other compliance actions necessary to implement its fuel-switching strategy. Docket No. 930613-EI also involves the resolution of basic legal and policy questions concerning the mechanics of implementing the Environmental Cost Recovery Clause mandated by Section 366.8255, Florida Statutes.

6. The UMWA has been granted intervenor status in both Dockets Nos. 921155-EI and 930613-EI by Orders Nos. PSC-93-0189-PCO-EI and PSC-93-1197-PCO-EI, issued on March 31, 1993 and August 16, 1993, respectively.

7. Gulf has stated that due to the effects of the Clean Air Act Amendments of 1990 on Gulf's fuel needs, a contract suspension agreement with the Peabody Coal Company for the time period July 1, 1993 through June 30, 1994 has been negotiated. [Testimony of M. L. Gilchrist at Pages 3-4.] This buy-out enables Gulf to replace Peabody Coal with coal of a similar sulfur content to be delivered by Jader/Sugar Camp Coal from a mine source in Galatia, Illinois at a lower fob mine price of \$26 per ton. The UMWA is currently representing the miners at the Eagle II mine, the source of the Peabody contract coal.

8. Gulf is seeking the recovery of the Peabody Coal contract buy-out costs of \$16,289,423.00, or \$9.00/ton, in its current fuel adjustment filing. [Testimony of M. L. Gilchrist at Pages 4-5.]

9. The UMWA has several substantial interests which are affected by the outcome of this docket. First, UMWA miner's jobs are at risk as a result of Gulf's fuel switching strategy in general and the Peabody Coal contract buy-out specifically. Second, Gulf's fuel switching strategy exposes Gulf's ratepayers to the unreasonable risk of low-sulfur coal and emission allowance price escalation. And finally, the regulatory scheme in Florida separates the issue of cost recovery for Clean Air Act Compliance: capital expenditures associated with fuel switching are addressed in Docket No. 930613-EI while the strategy's associated fuel costs are addressed in this docket. In order for the UMWA to fully protect the substantial interests which supported its previous interventions, it must be allowed to intervene in this docket as well.

10. UMWA would also note that it is uniquely qualified to address the issue of the prudence of the Peabody Coal contract buy-out by virtue of its knowledge of the coal industry and position in that industry. The expertise which the UMWA brings to this issue is unmatched by any other party.

11. The following issues of material fact are in dispute in this proceeding:

a. The prudence of the Peabody Coal contract buy-out from July 1, 1993 through June 30, 1994.

UMWA reserves the right to raise additional issues or dispute any issues of material fact which develop during the course of this proceeding.

12. The UMWA alleges as a concise statement of the ultimate facts that Gulf is requesting approval of costs associated with the Peabody Coal contract buy-out July 1, 1993 through June 30, 1994 which are imprudent and unreasonable.

13. The following statutes and rules entitle the UMWA to relief: Chapters 366 and 120, Florida Statutes; Rule Chapter 25-22, Part IV, Florida Administrative Code; UMWA reserves the right to rely on additional legal authority.

WHEREFORE, UMWA respectfully requests that it be allowed to intervene as a party to this proceeding and be granted full rights accorded to same.

Respectfully submitted this 18th day of January, 1994 by:



Suzanne Brownless

SUZANNE BROWNLESS
2546 Blairstone Pines Drive
Tallahassee, Florida 32301
(904) 877-5200

Attorney for the United Mine Workers
of America

c:0885

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power Cost) Docket No. 940001-EI
Recovery Clause and Generating)
Performance Incentive Factor.)
_____)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Petition for Intervention, filed on behalf of the United Mine Workers of America (UMWA) has been furnished by U.S. Mail or Hand Delivery (*) this 18th day of January, 1994 to the following individuals:

Ms. Donna Canzano*
Staff Counsel
Division of Legal Services
Florida Public Service Commission
101 E. Gaines Street
Tallahassee, FL 32399-0863

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Messer, Vickers, Caparello,
Madsen, Lewis, Goldman & Metz
P.O. Box 1876
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Senior Counsel
Florida Power Corporation
P.O. Box 14042
St. Petersburg, FL 33733

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1709-D Mahan Drive
Tallahassee, FL 32308

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Harrisburg, PA 17108-1166

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Suzanne Brownless
ATTORNEY

DOW

January 18, 1994

Steve Tribble, Director
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94001-

In re: Docket No. 94001-EI

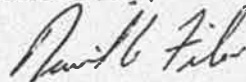
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Attorney for the United Mine Workers
of America

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Recovery Clause and Generating)
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