

Florida Power
CORPORATION

James A. McGee
SENIOR COUNSEL

February 11, 1994

ORIGINAL
FILE COPY

Mr. Steven C. Tribble
Director of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399-0870

Re: Docket No. 940001-EI

Dear Mr. Tribble:

Enclosed herewith for filing with the Commission in the above-referenced docket are fifteen (15) copies of Florida Power Corporation's Preliminary List of Issues and Prehearing Statement. Also enclosed is a 3-1/2" diskette containing this file in WordPerfect 5.1 format.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Thank you for your assistance.

- ACK
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- CAF _____
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- STO 1
- WIS _____

Very truly yours,

James A. McGee
James A. McGee

JAM:ams
Enclosure

cc: Parties of record

RECEIVED & FILED

was
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

GENERAL OFFICE: 3201 Thirty-fourth Street South • Post Office Box 14042 • Tallahassee, Florida 32309 (813) 866-5184

A Florida Progress Company

FPSC-RECORDS/REPORTING

01153 FEB 11 1994

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

ORIGINAL
FILE COPY

Docket No. 940001-EI

Submitted for filing:
February 11, 1994

**PRELIMINARY LIST OF ISSUES AND
PREHEARING STATEMENT OF
FLORIDA POWER CORPORATION**

Florida Power Corporation (FPC), pursuant to Rule 25-22.038, Florida Administrative Code, hereby submits this Prehearing Statement with respect to its levelized fuel and capacity cost recovery factors and its Generating Performance Incentive Factor (GPIF) for the period of April through September, 1994 and states as follows:

A. APPEARANCES

JAMES A. MCGEE, Esquire, Post Office Box 14042, St. Petersburg, FL
33733-4042

On behalf of Florida Power Corporation

B. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Karl H. Wieland	Fuel Adjustment: True-up and Projections	1-8, 11-14
William C. Micklon	GPIF: Reward/Penalty and Targets/Ranges	9 and 10

DOCUMENT NUMBER-DATE

01453 FEB 14 94

FPSC-RECORDS/REPORTING

C. EXHIBITS

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
<u>(KHW-1)</u>	Wieland	True-up Variance Analysis
<u>(KHW-2)</u>	Wieland	Schedules A1 through A13
<u>(KHW-3)</u>	Wieland	Forecast Assumptions and Capacity Cost Recovery Schedules (Parts A-D)
<u>(KHW-4)</u>	Wieland	Schedules E1 through E11 and H1
<u>(WCM-1)</u>	Micklon	Standard Form GPIF Schedules (Reward/Penalty)
<u>(WCM-2)</u>	Micklon	Standard Form GPIF Schedules (Targets/Ranges)

D. STATEMENT OF BASIC POSITION

None necessary.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Fuel Adjustment Issues

1. ISSUE: What are the appropriate final true-up amounts for the period of April through September 1993?

FPC: \$18,573,496 under-recovery. (Wieland)

2. **ISSUE:** What are the estimated fuel adjustment true-up amounts for the period of October 1993 through March 1994?

FPC: \$23,541,004 over-recovery. (Wieland)

3. **ISSUE:** What are the total true-up amounts to be collected during the period of April through September 1994?

FPC: \$4,967,508 over-recovery. (Wieland)

4. **ISSUE:** What are the appropriate levelized fuel cost recovery factors for the period of April through September 1994?

FPC: 1.968 cents per kWh - Standard rates*
2.692 cents per kWh - TOU On-Peak rates*
1.587 cents per kWh - TOU Off-Peak rates*

* Before line loss adjustment. (Wieland)

5. **ISSUE:** What should be the effective date of the new fuel cost recovery factors and oil backout factors, if any, for billing purposes?

FPC: The new factors should be effective beginning with the first billing cycle for April 1994, and thereafter through the last billing cycle for September 1994. The first billing cycle may start before April 1, 1994, and the last billing cycle may end after September 30, 1994, so long as each customer is billed for six months regardless of when the factors became effective.

6. **ISSUE:** What are the appropriate fuel recovery loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate/delivery voltage level group?

FPC:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Line Loss Multiplier</u>	
A.	Transmission	0.9725	
B.	Distribution Primary	0.9826	
C.	Distribution Secondary	1.0038	
D.	Lighting Service	1.0038	(Wieland)

7. **ISSUE:** What are the appropriate fuel cost recovery factors for each rate/delivery voltage level group, adjusted for line losses?

FPC:

Group	Delivery Voltage Level	Fuel Cost Factors (cents/kWh)		
		Standard	Time Of Use	
			On-Peak	Off-Peak
A.	Transmission	1.914	2.618	1.543
B.	Distribution Primary	1.934	2.645	1.559
C.	Distribution Secondary	1.975	2.702	1.593
D.	Lighting Service	1.800		

(Wieland)

Company-Specific Fuel Adjustment Issues

Florida Power Corporation

8. **ISSUE:** Should the Commission approve FPC's proposed refinement to its previously approved market pricing mechanism for water-borne transportation services to provide for potential purchases of foreign coal?

FPC: Yes. The market pricing mechanism for water-borne transportation is applicable only to purchases of domestic coal. The refinement proposed by FPC would allow the application of that mechanism to foreign coal purchases as well.

Generic Generating Performance Incentive Factor Issues

9. **ISSUE:** What is the appropriate GPIF reward or penalty for performance achieved during the period of April through September 1993?

FPC: \$1,100,739 reward. (Micklon)

10. **ISSUE:** What should the GPIF targets/ranges be for the period of April through September 1994?

FPC: See Attachment A. (Micklon)

Generic Capacity Cost Recovery Issues

11. ISSUE: What is the appropriate final capacity cost recovery true-up amount for the period of April through September 1993?

FPC: \$2,576,367 over-recovery. (Wieland)

12. ISSUE: What is the estimated capacity cost recovery true-up amount for the period of October 1993 through March 1994?

FPC: \$193,412 under-recovery. (Wieland)

13. ISSUE: What is the total capacity cost recovery true-up amount to be collected during the period of April through September 1994?

FPC: \$2,232,955 over-recovery. (Wieland)

14. ISSUE: What are the appropriate capacity cost recovery factors for the period of April through September 1994?

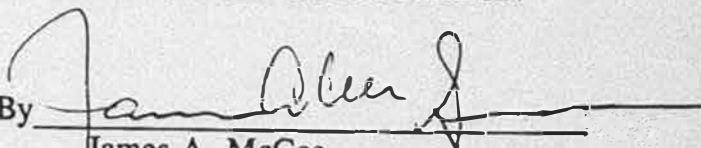
FPC: See Attachment B. (Wieland)

F. STIPULATED ISSUES: None at this time.

G. PENDING MOTIONS: None.

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By 

James A. McGee
Post Office Box 14042
St. Petersburg, FL 33733-4042
(813) 866-5184

Original Sheet No. 7.103.1

GPIF TARGET AND RANGE SUMMARY

Company: Florida Power Corporation
 Period of: Apr. 1994 - Sep. 1994

Plant/Unit	Weighting Factor (%)	EAF Target (%)	EAF/RANGE		Max. Fuel Savings (\$000)	Max. Fuel Loss (\$000)	
			Max. (%)	Min. (%)			
ANC. 1	3.10	92.61	94.29	89.15	224.2	508.7	
ANC. 2	3.03	81.72	83.12	78.80	218.9	428.5	
C.R. 1	5.97	85.94	92.44	73.24	431.7	861.1	
C.R. 2	8.95	83.86	91.26	69.71	618.0	764.5	
C.R. 3	17.60	59.84	63.01	53.56	1272.1	1057.7	
C.R. 4	3.75	87.16	89.34	82.69	270.9	573.0	
C.R. 5	4.05	94.67	97.18	89.55	292.4	625.0	
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GPIF System	46.05				3328.2	4838.5	

Plant/Unit	Weighting Factor (%)	ANOHR Target		ANOHR RANGE		Max. Fuel Savings (\$000)	Max. Fuel Loss (\$000)
		(BTU/KWH)	NOF	Min. (%)	Max. (%)		
ANC. 1	4.92	9634	68.8	9439	9829	355.4	355.4
ANC. 2	5.29	9596	73.7	9375	9816	382.0	382.0
C.R. 1	4.52	10118	77.1	9968	10268	326.7	326.7
C.R. 2	6.38	10081	82.6	9918	10244	460.9	460.9
C.R. 3	10.27	10533	100.2	10335	10730	742.4	742.4
C.R. 4	10.93	9268	97.6	9118	9418	790.0	790.0
C.R. 5	11.64	9315	95.5	9165	9465	841.5	841.5
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GPIF System	53.95					3898.9	3898.9

Issued by: FPC

Filed:
 Suspended:
 Effective:
 Docket No.:
 Order No.:

C0003

CALCULATION OF CAPACITY COST RECOVERY FACTOR

For the Period of: April through September 1994

RATE CLASS	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	AVERAGE 12 CP DEMAND MW	%	ANNUAL AVERAGE DEMAND MW	%	12/13 of 12 CP 12/13 * (2)	1/13 of Ann. Demand 1/13 * (4)	Demand Allocation (5) + (6)	Dollar Allocation (7) * \$60263005	MWH Sales @ Meier level (Apr 94 - Sep 94)	Capacity Cost Recovery Factor (8/MW)
I Residential Service	3,719.0	64.497%	1,831.0	51.070%	59.536%	3.928%	63.465%	\$38,245,622	7,482,650	0.511
II. General Service Non - Demand										
Transmission	0.0	0.000%	0.0	0.000%	0.000%	0.000%	0.000%	\$0	0	
Primary	0.6	0.010%	0.4	0.011%	0.009%	0.001%	0.010%	\$5,965	1,709	0.349
Secondary	138.1	2.395%	99.4	2.787%	2.211%	0.214%	2.426%	\$1,461,730	408,322	0.358
Total	138.7	2.405%	99.8	2.798%			2.435%			
III. GS - 100% L.F.	5.0	0.087%	4.9	0.139%	0.080%	0.011%	0.091%	\$54,755	20,314	0.270
IV. General Service Demand										
Transmission	3.0	0.052%	2.6	0.073%	0.048%	0.006%	0.054%	\$32,392	11,027	0.294
Primary	370.6	6.427%	307.6	8.627%	5.933%	0.654%	6.597%	\$3,975,305	1,291,360	0.308
Secondary	1,282.3	22.248%	1,059.6	29.717%	20.536%	2.286%	22.822%	\$13,753,259	4,354,008	0.316
Total	1,656.5	28.727%	1,369.8	38.417%			29.472%			
V. Curtailable Service										
Primary	43.6	0.756%	47.4	1.329%	0.698%	0.102%	0.800%	\$482,397	198,910	0.243
Secondary	0.0	0.000%	0.0	0.001%	0.000%	0.000%	0.000%	\$204	85	0.257
Total	43.6	0.757%	47.4	1.330%			0.801%			
VI. Interruptible Service										
Transmission	91.7	1.590%	93.4	2.619%	1.468%	0.201%	1.669%	\$1,005,804	396,118	0.254
Primary	104.6	1.814%	105.9	2.970%	1.675%	0.228%	1.903%	\$1,146,510	444,567	0.258
Secondary	0.2	0.003%	0.2	0.005%	0.003%	0.000%	0.004%	\$2,115	799	0.265
Total	196.5	3.407%	199.5	5.595%			3.576%			
VII. Lighting Service	6.9	0.119%	23.2	0.652%	0.110%	0.050%	0.160%	\$96,545	95,494	0.101
TOTAL RETAIL	5,766.2	100.00%	3,565.6	100.00%	92.308%	7.692%	100.000%	\$60,263,005	14,705,300	0.4098047

Col (1): Copied from Sheet 4, col (5).
Col (3): Copied from Sheet 4, col (3).
Col (8): Computed from Sheet 1, line 29.
Col (9): Copied from Sheet 4, col (1).
Col (10): Calculated as col. (8) ÷ col. (9) ÷ 10.

CERTIFICATE OF SERVICE

Docket No. 940001-EI

I HEREBY CERTIFY that a true copy of Florida Power Corporation's Preliminary List of Issues and Prehearing Statement has been furnished to the following individuals by U.S. Mail this 11th day of February, 1994:

Matthew M. Childs, Esquire
Steel, Hector & Davis
215 South Monroe, Suite 601
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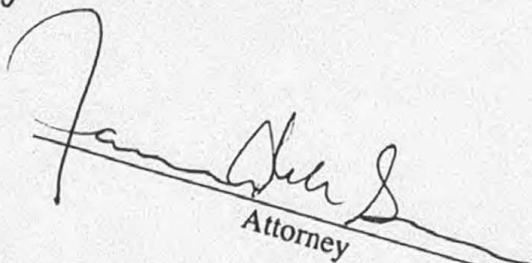
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Attorney

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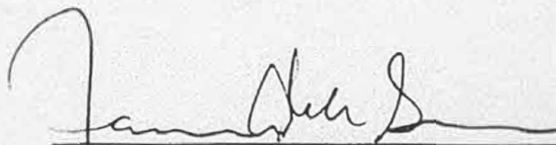
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