

**Florida
Power**
CORPORATION

ORIGINAL
FILE COPY

JAMES A. MCGEE
SENIOR COUNSEL

February 2, 1996

Ms. Blanca S. Bayó, Director
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 960001-EI

Dear Ms. Bayó:

Enclosed for filing in the subject docket are fifteen copies of the Preliminary List of Issues and Position of Florida Power Corporation.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in WordPerfect format. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

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Enclosures
cc: Parties of Record
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RECEIVED
FPC-BUREAU OF RECORDS

DOCUMENT NUMBER - DATE

01271 FEB-5-96

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

Docket No. 960001-EI
Submitted for filing:
February 5, 1996

**PRELIMINARY LIST OF ISSUES AND POSITIONS OF
FLORIDA POWER CORPORATION**

Florida Power Corporation (FPC), hereby submits its Preliminary List of Issues and Positions 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, 1996, and states as follows:

Generic Fuel Adjustment Issues

1. **ISSUE:** What are the appropriate final fuel adjustment true-up amounts for the period of April through September 1995?
FPC: \$617,142 over-recovery. (Develle)
2. **ISSUE:** What are the estimated fuel adjustment true-up amounts for the period of October 1995 through March 1996?
FPC: \$6,533,077 under-recovery. (Develle)
3. **ISSUE:** What are the total fuel adjustment true-up amounts to be collected during the period of April through September 1996?
FPC: \$5,915,935 under-recovery. (Develle)
4. **ISSUE:** What are the appropriate levelized fuel cost recovery factors for the period of April through September 1996?

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01271 FEB-5 96

FPC: 1.887 cents per kWh (adjusted for jurisdictional losses). (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, 1996, and thereafter through the last billing cycle for September, 1996. The first billing cycle may start before April 1, 1996, and the last billing cycle may end after September 30, 1996, 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	0.9800	
B.	Distribution Primary	0.9900	
C.	Distribution Secondary	1.0000	
D.	Lighting Service	1.0000	(Wieland)

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

FPC:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Fuel Cost Factors (cents/kWh)</u>			
		<u>Standard</u>	<u>Time Of Use</u>		
	<u>On-Peak</u>		<u>Off-Peak</u>		
A.	Transmission	1.853	2.426	1.544	
B.	Distribution Primary	1.872	2.450	1.559	
C.	Distribution Secondary	1.891	2.475	1.575	
D.	Lighting Service	1.744			(Wieland)

8. ISSUE: What is the appropriate revenue tax factor to be applied in calculating the levelized fuel factor for the projection period of April through September, 1996?

FPC: 1.00083 (Wieland)

Company-Specific Fuel Adjustment Issues

9. ISSUE: Should the Commission approve FPC's request to recover the cost of converting its Intercession City combustion turbine units P8 and P10 to burn natural gas?

FPC: Yes. FPC is requesting the same treatment for units 8 and 10 as the Commission approved at the August 1995 hearings for units 7 and 9. The cost of conversion (\$2.6 million) is not included in FPC's base rates and will enable FPC to achieve fuel savings in excess of \$20 million over the next five years. (Wieland)

Generic Generating Performance Incentive Factor Issues

10. ISSUE: What is the appropriate GPIF reward or penalty for performance achieved during the period of October, 1994 through March, 1995?

FPC: \$1,456,161 reward. (Turner)

11. ISSUE: What should the GPIF targets/ranges be for the period of October, 1995 through March, 1996?

FPC: See Attachment A. (Turner)

Generic Capacity Cost Recovery Issues

12. ISSUE: What is the appropriate final capacity cost recovery true-up amount for the period of April through September 1995?

FPC: \$4,239,557 over-recovery. (Develle)

13. ISSUE: What is the estimated capacity cost recovery true-up amount for the period of October 1995 through March 1996?

FPC: \$120,500 under-recovery. (Wieland)

14. ISSUE: What is the total capacity cost recovery true-up amount to be collected during the period of April through September 1996?

FPC: \$4,119,057 over-recovery. (Wieland)

15. ISSUE: What is the appropriate projected net purchase power capacity cost recovery amount to be included in the recovery factor for the period April through September 1996?


FPC: \$123,768,370 (Wieland)

16. ISSUE: What are the projected capacity cost recovery factors for the period of April through September 1996?

<u>FPC</u> :	<u>Rate Class</u>	<u>CCR Factor</u>
	Residential	.936 cents/kWh
	General Service Non-Demand	.743 cents/kWh
	@ Primary Voltage	.735 cents/kWh
	@ Transmission Voltage	.728 cents/kWh
	General Service 100% Load Factor	.512 cents/kWh
	General Service Demand	.622 cents/kWh
	@ Primary Voltage	.616 cents/kWh
	@ Transmission Voltage	.609 cents/kWh
	Curtaillable	.522 cents/kWh
	@ Primary Voltage	.517 cents/kWh
	@ Transmission Voltage	.512 cents/kWh
	Interruptible	.522 cents/kWh
	@ Primary Voltage	.517 cents/kWh
	@ Transmission Voltage	.512 cents/kWh
	Lighting	.187 cents/kWh (Wieland)

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By 

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ATTACHMENT 'A'

Original Sheet No. 6.101.04

GPIF UNIT PERFORMANCE SUMMARY

Company: Florida Power Corporation
 Period of: April, 1995 - September, 1995

Plant/Unit	Weighting Factor (%)	EAF Target (%)	EAF RANGE		Max. Fuel Savings (\$000)	Max. Fuel Loss (\$000)	EAF Adjusted Actual (%)	Estimated Fuel Savings/ Loss (\$000)
			Max. (%)	Min. (%)				
CR 1	6.16	60.22	64.24	52.25	594.8	(856.4)	61.33	\$163.9
CR 2	12.99	83.60	91.09	69.44	1254.7	(715.8)	92.01	\$1,254.7
CR 3	14.37	93.96	96.80	88.11	1387.9	(1,121.2)	98.97	\$1,387.9
CR 4	8.34	92.90	96.23	86.10	806.0	(1,505.3)	95.87	\$718.3
CR 5	5.07	90.59	93.21	85.26	489.9	791.7	90.93	\$64.5
AN 1	2.10	97.06	98.45	94.20	202.7	(487.1)	92.60	(\$487.1)
AN 2	1.54	97.24	98.54	94.63	149.2	(332.6)	89.11	(\$332.6)
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GPIF System	46.94				4885.2	(4,226.7)		\$2,769.6

Plant/Unit	Weighting Factor (%)	ANOHR Target (Btu/kwh)	ANOHR RANGE		Max. Fuel Savings (\$000)	Max. Fuel Loss (\$000)	ANOHR Adjusted Actual Btu/kwh	Estimated Fuel Savings/ Loss	
			NOF	Min. Btu/kwh					Max. Btu/kwh
CR 1	2.55	10129.58	74.2	9958.0	10301.2	246.6	(246.6)	9967.9	\$221.2
CR 2	6.21	10052.62	81.5	9832.4	10272.9	599.5	(599.5)	9824.4	\$599.5
CR 3	15.77	10531.66	100.1	10330.6	10732.7	1523.2	(1,523.2)	10461.0	\$0.0
CR 4	7.61	9377.35	84.1	9227.4	9527.4	755.5	(755.5)	9405.9	\$0.0
CR 5	8.24	9273.76	95.4	9123.8	9423.8	795.6	(795.6)	9292.4	\$0.0
AN 1	6.06	9268.30	78.9	9016.4	9520.2	585.5	(585.5)	9154.27	\$129.2
AN 2	2.98	9565.36	72.5	9396.0	9734.7	287.5	(287.5)	9619.95	\$0.0
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GPIF System	40.38					4793.4	(4,793.4)		\$949.9

Issued by: FPC

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

CERTIFICATE OF SERVICE

Docket No. 960001-EI

I HEREBY CERTIFY that a true and correct copy of the Preliminary List of Issues and Positions of Florida Power Corporation has been sent by regular U.S. mail to the following individuals this 2nd day of February, 1996:

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