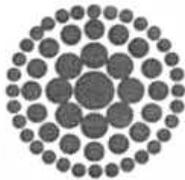


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**Florida
Power**
CORPORATION

JAMES A. MCGEE
SENIOR COUNSEL

February 7, 1996

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

Re: Docket No. 960002-EG

Dear Ms. Bayo:

Enclosed for filing in the subject docket are fifteen copies of the Prehearing Statement 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

- ACK
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG 6 Hoff
- LEG 1
- LIN 3
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

JAM/jb
Enclosure
cc: Parties of Record

RECEIVED & FILED

max
EPSC-BUREAU OF RECORDS

GENERAL OFFICE

3201 Thirty-fourth Street South • Post Office Box 14042 • St. Petersburg, Florida 33733-4042 • (813) 866-5184 • Fax: (813) 866-4931

A Florida Progress Company

DOCUMENT NUMBER-DATE

01474 FEB-8 8

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost
Recovery Clause.

Docket No. 960002-EG

Submitted for filing:
February 8, 1996

**PREHEARING STATEMENT OF
FLORIDA POWER CORPORATION**

Florida Power Corporation (FPC) hereby submits its Prehearing Statement with respect to its Energy Conservation Cost Recovery (ECCR) factors for the period of April 1996 through March 1997, 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>
M. F. Jacob	Components of FPC's conservation plan and associated costs	1, 2
K. H. Wieland	FPC's residential revenue decoupling true-up	3a-3c

C. EXHIBITS

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
<u>(MFJ-1)</u>	Jacob	Summary of Estimated Cost Recovery Clause Calculations
<u>(KHW-1)</u>	Wieland	Decoupling True-up Balance Calculation and Revised Exhibit 6

D. STATEMENT OF BASIC POSITION

None necessary.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Conservation Cost Recovery Issues

1. ISSUE: What is the final end-of-the-period true-up amount for the period October 1, 1994 through September 30, 1995?

FPC: \$6,401,629 over-recovery (Jacob)

2. ISSUE: What is the appropriate conservation cost recovery factors for the period April 1996 through March 1997?

<u>FPC</u> :	<u>Rate Class</u>	<u>ECCR Factor</u>
	Residential	.295 cents/kWh
	General Service Non-Demand	.242 cents/kWh
	@ Primary Voltage	.240 cents/kWh
	@ Transmission Voltage	.237 cents/kWh
	General Service 100% Load Factor	.179 cents/kWh
	General Service Demand	.209 cents/kWh
	@ Primary Voltage	.207 cents/kWh
	@ Transmission Voltage	.205 cents/kWh
	Curtaillable	.182 cents/kWh
	@ Primary Voltage	.182 cents/kWh
	@ Transmission Voltage	.178 cents/kWh
	Interruptible	.182 cents/kWh
	@ Primary Voltage	.180 cents/kWh
	@ Transmission Voltage	.178 cents/kWh
	Lighting	.091 cents/kWh (Jacob)

Company-Specific Conservation Cost Recovery Issues

- 3a. ISSUE: Is FPC's calculation of its residential revenue decoupling true-up balance proper?

FPC: Yes. The decoupling true-up balance, including interest, was calculated in accordance with Commission Order No. PSC-95-0097-FOF-EI.

- 3b. ISSUE: Has FPC properly updated Exhibit 6 from Docket No. 930444-EI as required by Order No. PSC-95-0097-FOF-EI?

FPC: Yes. Page 2 of the exhibit attached to Mr. Wieland's testimony contains an update of the original Exhibit 6 in which 1994 usage per customer has been revised to reflect actual personal income for 1994, in accordance with Order No. PSC-95-0097-FOF-EI.

- 3c. ISSUE: Should the Commission grant FPC's request to defer, with interest, its revenue decoupling true-up in order to allow FPC the opportunity to conduct a bidding process among its contract QFs for the purpose of enhancing the benefit of the true-up to its ratepayers?

FPC: Yes. By allowing FPC's contract QFs to bid for the true-up amount in return for contract payment concessions, FPC believes the benefit to its ratepayers can be substantially enhanced. At this juncture, however, FPC seeks only the opportunity to conduct such a bidding process, with the decision regarding the ultimate disposition of the true-up amount left to the Commission after the bidding process has been completed. (Wieland)

F. STIPULATED ISSUES:

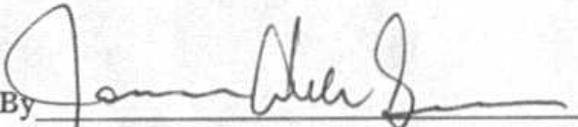
FPC and LEAF have entered into a stipulation with respect to Issue 3c in this Prehearing Statement.

G. PENDING MOTIONS:

Joint motion of FPC and LEAF requesting approval of above referenced stipulation.

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By 

James A. McGee
Post Office Box 14042
St. Petersburg, FL 33733-4042
Telephone: (813) 866-5184
Facsimile: (813) 866-4931

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery
Clauses of Electric Companies.

Docket No.960002-EG

Submitted for filing:
February 8, 1996

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the Prehearing Statement of Florida Power Corporation has been furnished to the following individuals by regular U.S. Mail this 7th day of February, 1996:

Robert V. Elias, Esquire
Division of Legal Services
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399-0863

J. Roger Howe, Esquire
Office of the Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400

Lee L. Willis, Esquire
James D. Beasley, Esquire
Macfarlane Ausley Ferguson
& McMullen
P.O. Box 391
Tallahassee, FL 32302

Charles A. Guyton, Esquire
Steel, Hector & Davis
215 S. Monroe Street, Suite 601
Tallahassee, Florida 32301

Joseph A. McGlothlin, Esquire
Vicki Gordon Kaufman, Esquire
McWhirter, Reeves, McGlothlin,
Davidson & Bakas
117 S. Gadsden Street
Tallahassee, FL 32301

H. G. Wells
276 Spring Run Circle
Longwood, FL 32779

Charles A. Costin, Esquire
P. O. Box 98
Port St. Joe, FL 32456

Ross S. Burnaman, Esquire
Legal Environmental Assistance
Foundation, Inc.
1115 N. Gadsden Street
Tallahassee, FL 32303

G. Edison Holland, Jr., Esquire
Jeffrey A. Stone, Esquire
Beggs & Lane
P. O. Box 12950
Pensacola, FL 32576-2950

Wayne L. Schiefelbein, Esquire
Gatlin, Woods, Carlson & Cowdery
1709-D Mahan Drive
Tallahassee, FL 32308

Robert S. Goldman, Esquire
Messer, Vickers, Caparello,
French & Madsen
P. O. Box 1876
Tallahassee, FL 32301

Robert Scheffel Wright., Esquire
Fine, Jacobson, Schwartz
Nash & Block
215 S. Monroe Street, Suite 804
Tallahassee, FL 32301

Gail P. Fels, Esquire
Assistant County Attorney
111 N.W. 1st Street, Suite 2810
Miami, FL 33128-1993

John W. McWhirter, Jr., Esquire
McWhirter, Reeves, McGlothlin,
Davidson & Bakas
100 N. Tampa Street, Suite 2900
Tampa, FL 33602

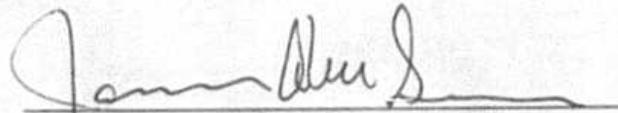
Terry Black, Esquire
Pace University Energy Project
78 North Broadway
White Plains, NY 10603

Debbie Stitt
Energy Conservation Analyst
St. Joe Natural Gas Company
P. O. Drawer 549
Port St. Joe, FL 32456

Richard A. Zambo, Esquire
598 S. W. Hidden River Avenue
Palm City, FL 34990

Mr. Stuart Shoaf
St. Joe Natural Gas Company
P. O. Box 549
Port St. Joe, FL 32456

William B. Watson, III
Watson, Folds, Steadham,
Sproull, Christman & Brashear
P. O. Box 1070
Gainesville, FL 32602



Attorney