

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power) DOCKET NO. 970601-EI
Cost Recovery Clause and)
Generating Performance Incentive) FILED: JANUARY 22, 1997
Factor.)
_____)

STAFF'S PRELIMINARY LIST OF ISSUES AND POSITIONS

Pursuant to the standard procedures of the Commission in this generic docket and Order No. PSC-97-0043-PCO-EI, issued January 9, 1997 establishing the prehearing procedure in this docket, the Staff of the Florida Public Service Commission hereby files its Preliminary List of Issues and Positions.

Generic Fuel Adjustment Issues

ISSUE 1: What are the appropriate final fuel adjustment true-up amounts for the period April, 1996 through September, 1996?

POSITION:

- FPC: Staff takes no position at this time.
- FPL: Staff takes no position at this time.
- FPUC: Marianna:
Staff takes no position at this time.
- Fernandina Beach:
Staff takes no position at this time.
- GULF: Staff takes no position at this time.
- TECO: Staff takes no position at this time.

ISSUE 2: What are the estimated fuel adjustment true-up amounts for the period October, 1996 through March, 1997?

POSITION:

- FPC: Staff takes no position at this time.
- FPL: Staff takes no position at this time.

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

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FPUC: Marianna:
Staff takes no position at this time.

Fernandina Beach:
Staff takes no position at this time.

GULF: Staff takes no position at this time.

TECO: Staff takes no position at this time.

ISSUE 3: What are the total fuel adjustment true-up amounts to be collected during the period April, 1997 through September, 1997?

POSITION:

FPC: Staff takes no position at this time.

FPL: Staff takes no position at this time.

FPUC: Marianna:
Staff takes no position at this time.

Fernandina Beach:
Staff takes no position at this time.

GULF: Staff takes no position at this time.

TECO: Staff takes no position at this time.

ISSUE 4: What are the appropriate levelized fuel cost recovery factors for the period April, 1997 through September, 1997?

POSITION:

FPC: Staff takes no position at this time.

FPL: Staff takes no position at this time.

FPUC: Marianna:
Staff takes no position at this time.

Fernandina Beach:
Staff takes no position at this time.

GULF: Staff takes no position at this time.

TECO: Staff takes no position at this time.

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ISSUE 5: What should be the effective date of the new fuel adjustment charge and capacity cost recovery charge for billing purposes?

POSITION: Staff takes no position at this time.

ISSUE 6: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class?

POSITION:

FPC: Staff takes no position at this time.

FPL: Staff takes no position at this time.

FPUC: Marianna:
Staff takes no position at this time.

Fernandina Beach:
Staff takes no position at this time.

GULF: Staff takes no position at this time.

TECO: Staff takes no position at this time.

ISSUE 7: What are the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses?

POSITION:

FPC: Staff takes no position at this time.

FPL: Staff takes no position at this time.

FPUC: Marianna:
Staff takes no position at this time.

Fernandina Beach:
Staff takes no position at this time.

GULF: Staff takes no position at this time.

TECO: Staff takes no position at this time.

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ISSUE 8: What is the appropriate revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of April, 1997, through September, 1997?

POSITION:

FPC: Staff takes no position at this time.

FPL: Staff takes no position at this time.

FPUC: Marianna:
Staff takes no position at this time.

Fernandina Beach:
Staff takes no position at this time

GULF: Staff takes no position at this time.

TECO: Staff takes no position at this time.

ISSUE 9: What accounting procedures should be used by the investor-owned utilities to book adjustments due to differences between the "per books" inventory quantities and the semi-annual coal inventory survey quantities.

POSITION: The following accounting procedures should be used:

1. Surveys of the coal inventory shall be conducted semiannually.
2. The coal inventory at each plant site shall be considered separately and adjusted according to the procedures in this bulletin.
3. All adjustments booked shall be made to both the quantity and dollars as recorded on the utility's books. These adjustments shall be booked to the inventory account prior to the calculation of the total available tons and dollars for that month.
4. If the difference between the book inventory quantity and the semiannual survey results is less than or equal to $\pm 3\%$ of the semiannual survey results (based on tons), no adjustment shall be made.

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5. If the difference between the book inventory quantity and the semiannual survey results is greater than $\pm 3\%$ of the semiannual survey results (based on tons), an adjustment shall be made to the book inventory equal to the difference between $\pm 3\%$ of the semiannual survey results and the total difference.
6. The quantity to be adjusted shall be priced at the weighted average cost of the sum of the total available book inventory dollars (before consumption) divided by the sum of the total available book inventory quantity (before consumption) for the most recent six (6) month period preceding the month during which the survey is conducted.
7. The entire adjustment, both tons and dollars, shall be either debited or credited, whichever is appropriate, to the book inventory account for the month during which the survey is conducted. The offsetting entry shall be made to fuel expense for the same month.
8. Adjustment, greater than 2% ($\pm 5\%$ less $\pm 3\%$) of the semiannual survey results (based on tons), that may significantly affect wither the utility or its customers if booked entirely in one month, may be amortized to fuel expense over an appropriate time period. The appropriate time period selected by the utility shall be subject to the review and approval of the Commission.
9. The utility shall notify the Division of Electric and Gas and the appropriate District Field Office of the results of any semiannual surveys regardless of whether any adjustments are made. The notification shall be made by the 15th day of the month subsequent to the month during which the surveys are conducted and shall include, as a minimum, the "per books" quantities, the survey quantities, and the calculation of any adjustments on a per plant basis.

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ISSUE 10: How should transmission costs be accounted for when determining the transaction price of an economy, Schedule C, broker transaction between two directly interconnected utilities?

POSITION: No position at this time.

ISSUE 11: If the cost of transmission is used to determine the transaction price of an economy, Schedule C, broker transaction between two directly interconnected utilities, how should the costs of this transmission be recovered?

POSITION: No position at this time.

ISSUE 12: How should transmission costs be accounted for when determining the transaction price of an economy, Schedule C, broker transaction that requires wheeling between two non-directly interconnected utilities?

POSITION: No position at this time.

ISSUE 13: If the cost of transmission is used to determine the transaction price of an economy, Schedule C, broker transaction that requires wheeling between two non-directly interconnected utilities, how should the costs of this transmission be recovered?

POSITION: No position at this time.

Company-Specific Fuel Adjustment Issues

Florida Power Corporation

ISSUE 14: Should the Commission approve Florida Power Corporation's request to recover the cost of converting Debary Unit 7, Bartow Units 3 and 4, and Suwannee Unit 1 to burn natural gas?

POSITION: No position at this time.

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ISSUE 14b: Should the costs associated with the settlement agreement between Florida Power Corporation and Lake Cogen, Ltd. be approved for recovery through the Fuel and Purchased Power Cost Recovery Clause for the period April, 1997 through September, 1997?

POSITION: No position at this time.

ISSUE 14c: Should the costs associated with the settlement agreement between Florida Power Corporation and Pasco Cogen, Ltd. be approved for recovery through the Fuel and Purchased Power Cost Recovery Clause for the period April, 1997 through September, 1997?

POSITION: No position at this time.

Florida Power and Light Company

ISSUE 15A: Should the Commission approve Florida Power and Light Company's request to recover depreciation expense and return on investment for rail cars purchased to deliver coal to Scherer Plant?

POSITION: No position at this time.

ISSUE 15B: Should the Commission approve Florida Power and Light Company's request to recover the costs of implementing certain equipment modifications and additions at some of its generating plants and fuel storage facilities to use "low gravity" fuel oil?

POSITION: No position at this time.

Tampa Electric Company

ISSUE 16: Has Tampa Electric Company appropriately calculated its proposed refund factors for refunding the \$25 million in excess earnings as required by Order No. PSC-96-0670-S-EI?

POSITION: No position at this time.

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Generic Generating Performance Incentive Factor Issues

ISSUE 17: What is the appropriate GPIF reward or penalty for performance achieved during the period April, 1996 through September, 1996?

POSITION:

FPC: Staff takes no position at this time.

FPL: Staff takes no position at this time.

GULF: Staff takes no position at this time.

TECO: Staff takes no position at this time.

ISSUE 18: What should the GPIF targets/ranges be for the period April, 1997 through September, 1997?

POSITION:

FPC: Staff takes no position at this time.

FPL: Staff takes no position at this time.

GULF: Staff takes no position at this time.

TECO: Staff takes no position at this time.

Generic Capacity Cost Recovery Issues

ISSUE 19: What is the appropriate final capacity cost recovery true-up amount for the period April, 1996 through September 1996?

POSITION:

FPC: No position at this time.

TECO: No position at this time.

ISSUE 20: What is the estimated capacity cost recovery true-up amount for the period October, 1996 through April, 1997?

POSITION:

FPC: No position at this time.

TECO: No position at this time.

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ISSUE 21: What is the total capacity cost recovery true-up amount to be collected during the period April, 1997 through September, 1997?

POSITION:

FPC: No position at this time.

TECO: No position at this time.

ISSUE 22: What is the appropriate projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period April, 1997 through September, 1997?

POSITION:

FPC: No position at this time.

TECO: No position at this time.

ISSUE 23: What are the projected capacity cost recovery factors for the period April, 1997 through September 1997?

POSITION:

FPC: No position at this time.

TECO: No position at this time.

Company Specific Capacity Cost Recovery Issues

Florida Power Corporation

ISSUE 24a: Should the costs associated with the settlement agreement between Florida Power Corporation and Lake Cogen, Ltd. be approved for recovery through the Capacity Cost Recovery Clause for the period April, 1997 through September, 1997?

POSITION:

No position at this time.

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ISSUE 24b: Should the costs associated with the settlement agreement between Florida Power Corporation and Pasco Cogen, Ltd. be approved for recovery through the Capacity Cost Recovery Clause for the period April, 1997 through September, 1997?

POSITION: No position at this time.

Florida Power & Light

ISSUE 25: Should the Commission approve Florida Power & Light Company's request for a mid-course correction to reduce its Capacity Cost Recovery Clause factors effective April, 1997?

POSITION: No position at this time.

Tampa Electric Company

ISSUE 26: How should the non-fuel revenues associated with Tampa Electric Company's wholesale sales to the Florida Municipal Power Agency and the City of Lakeland be treated for cost recovery purposes?

POSITION: No position at this time.

Dated this 22nd day of January, 1997.

Respectfully submitted,



VICKI D. JOHNSON
Staff Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Gerald L. Gunter Building, Room 370
Tallahassee, Florida 32399-0850
(904) 413-6199

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Cost Recovery Clause and)
Generating Performance Incentive) FILED: JANUARY 22, 1997
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of Staff's Preliminary List of Issues and Positions has been furnished by U.S. Mail to this 22nd day of January, 1997, to the following:

Ausley & McMullen
James Beasley
P.O. Box 391
Tallahassee, FL 32302

Florida Power & Light Company
Bill Walker
215 South Monroe Street, #810
Tallahassee, FL 32301-1888

Florida Public Utilities Co.
Frank C. Cressman
P.O. Box 3395
West Palm Beach, FL 33402-3395

Florida Power Corporation
James McGee
P.O. Box 14042
St. Petersburg, FL 33733-4042

FL Industrial Power Users
Group
McWhirter Reeves McGlothlin
Vicki Kaufman
117 S. Gadsden Street
Tallahassee, FL 32301

Gulf Power Company
Susan D. Cranmer
P.O. Box 13470
Pensacola, FL 32591-3470

Rutledge Law Firm
William Willingham
P.O. Box 551
Tallahassee, FL 32302

Office of Public Counsel
John Roger Howe
111 West Madison Street
Room 812
Tallahassee, FL 32399

Destec Energy, Inc
Barry Huddleston
2500 CityWest Blvd., #150
Houston, TX 77210

Suzanne Brownless
1311-B Paul Russell Road, #201
Tallahassee, FL 32301

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CERTIFICATE OF SERVICE

Tampa Electric Company
Angela Llewellyn
Regulatory & Business Strategy
P.O. Box 111
Tampa, FL 33601-0111

Vicki D. Johnson

VICKI D. JOHNSON
Staff Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Gerald L. Gunter Building, Room 370
Tallahassee, Florida 32399-0850
(904) 413-6199