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January 27, 1997

HAND-DELIVERED

Blanca S. Bayo, Director
Division of Records and Reporting
Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

Re: Docket Nos. 970001-EI, 970002-EG & 970007-EI

Dear Ms. Bayo:

Enclosed for filing and distribution are the original and fifteen copies of The Florida Industrial Power Users Group's Prehearing Statement in each of the above dockets.

Please acknowledge receipt of the above on the extra copies enclosed herein and return them to me. Thank you for your assistance.

Sincerely,

Vicki Gordon Kaufman
Vicki Gordon Kaufman

- ACK
- AFA
- APP
- CAF
- CMU
- CTR
- EAG *Ban*
- LEG *1*
- LIN *3*
- OPC
- RCH
- SEC *1*
- WAS
- OTH

VGK/pw
Encls.

RECEIVED & FILED

Docket 970007-EI
DOCUMENT NUMBER - DATE
01013 JAN 27 5

Docket 970001-EI
DOCUMENT NUMBER - DATE
01011 JAN 27 5
FPSC-RECORDS/REPORTING

Docket 970002-EG
DOCUMENT NUMBER - DATE
01012 JAN 27 5
FPSC-RECORDS/REPORTING

FPSC-BUREAU OF RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 970001-E1
Filed: January 27, 1997

**FLORIDA INDUSTRIAL POWER
USERS GROUP'S PREHEARING STATEMENT**

The Florida Industrial Power Users Group (FIPUG), through its undersigned counsel, files its Prehearing Statement. FIPUG reserves the right to amend this prehearing statement.

A. APPEARANCES:

JOSEPH A. McGLOTHLIN, VICKI GORDON KAUFMAN, McWhirter, Reeves, McGlothlin, Davidson, Rief & Bakas, 117 South Gadsden Street, Tallahassee, Florida 32301.

On behalf of the Florida Industrial Power Users Group.

B. WITNESSES:

None at this time.

C. EXHIBITS:

None at this time.

D. STATEMENT OF BASIC POSITION:

Florida Industrial Power Users Group's Statement of Basic Position:

None at this time.

- CK _____
- FA _____
- PP _____
- SAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC _____
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE

01011 JAN 27 97

FPSC-RECORDS/REPORTING

E. STATEMENT OF ISSUES AND POSITIONS:

Generic Fuel Adjustment Issues

1. **ISSUE:** What are the appropriate final fuel adjustment true-up amounts for the period April 1996 through September 1996?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
2. **ISSUE:** What are the estimated fuel adjustment true-up amounts for the period October 1996 through March 1997?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
3. **ISSUE:** What are the total fuel adjustment true-up amounts to be collected during the period April 1997 through September 1997?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
4. **ISSUE:** What are the appropriate levelized fuel cost recovery factors for the period April 1997 through September 1997?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
5. **ISSUE:** What should be the effective date of the new fuel adjustment charge and capacity cost recovery charge for billing purposes?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
6. **ISSUE:** What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class?
FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.
7. **ISSUE:** What are the appropriate Fuel Cost Recovery Factors for each rate group adjusted for line losses?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

8. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

9. **ISSUE:** 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.

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

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

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

11. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

12. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

13. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Company-Specific Fuel Adjustment Issues

Florida Power Corporation

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

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

14B. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

14C. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

14D. **ISSUE:** Should Florida Power Corporation be permitted to recover the replacement fuel costs associated with the extended outage at its Crystal River No. 3 nuclear unit?

FIPUG: Agree with Public Counsel.

Florida Power and Light Company

15A. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

- 15B. **ISSUE:** 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 oils?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Tampa Electric Company

16. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Generic Generating Performance Incentive Factor Issues

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

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

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

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Generic Capacity Cost Recovery Issues

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

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

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

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

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

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

22. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

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

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Company-Specific Capacity Cost Recovery Issues

24A. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

24B. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Florida Power & Light

25. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Tampa Electric Company

26. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

F. **STIPULATED ISSUES:**

None at this time.

G. **PENDING MOTIONS:**

FIPUG has no pending motions.

H. **OTHER MATTERS:**

None at this time.



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Attorneys for the Florida Industrial
Power Users Group

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Florida Industrial Power Users Group's Prehearing Statement has been furnished by hand delivery(*) or by U.S. Mail to the following parties of record this 27th day of January, 1997:

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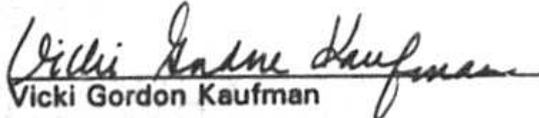
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