

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of	:	DOCKET NO. 970001-EI
Fuel and purchased power	:	
cost recovery clause and	:	
generating performance	:	
incentive factor	:	

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PROCEEDINGS:           **AGENDA CONFERENCE**  
                                  **ITEM NO. 54**

BEFORE:                    **CHAIRMAN JULIA L. JOHNSON**  
                                  **COMMISSIONER SUSAN F. CLARK**  
                                  **COMMISSIONER JOE GARCIA**

DATE:                      **Tuesday, December 16, 1997**

PLACE:                     **Betty Easley Conference Center**  
                                  **Room 148**  
                                  **4075 Esplanade Way**  
                                  **Tallahassee, Florida**

REPORTED BY:            **JOY KELLY, CSR, RPR**  
                                  **Chief, Bureau of Reporting**  
                                  **(904) 413-6732**

DOCUMENT NUMBER: DATE  
**00126 JAN-68**

1 **PARTICIPATING:**

2                   **LESLIE PAUGH, FPSC Division of Legal**  
3 **Services.**

4                   **TCM BALLINGER, JUDY HARLOW, TODD BOHRMANN,**  
5 **FPSC Division of Electric & Gas.**

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## P R O C E E D I N G S

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2           **CHAIRMAN JOHNSON:** We're on Item 54, a panel  
3 consisting of Johnson, Clark and Garcia.

4           **COMMISSIONER CLARK:** I do have a few  
5 questions. It was not clear to me on Issue 10 if the  
6 cost of transmission is used to determine the  
7 transaction price of economy Schedule C, how should  
8 the cost of this transmission be recovered?

9           In reading through it, is there agreement on  
10 this issue among the parties?

11           **MR. BALLINGER:** No, I don't believe so. In  
12 this one I believe Tampa Electric and Gulf wanted to  
13 credit the revenues to operating revenues.

14           **COMMISSIONER CLARK:** The transmission  
15 revenues.

16           **MR. BALLINGER:** Yes. In one case Gulf had  
17 incremental transmission revenues. TECO identified  
18 transmission revenues within the original gain and  
19 classified those as transmission revenues, and both  
20 utilities requested that they be recovered through  
21 operating revenues -- they be credited to operating  
22 revenues.

23           **COMMISSIONER CLARK:** And it's your view that  
24 the transmission revenues shouldn't go through the  
25 fuel -- should not go through the fuel clause.

1           **MR. BALLINGER:** No, they should. And  
2 remember this is for a directly interconnected --  
3 maybe --

4           **COMMISSIONER CLARK:** Oh, okay.

5           **MR. BALLINGER:** Issue 12 I believe is where  
6 we -- Issue 12 is where we disagree with a wheeled  
7 sale, where you have three utilities involved at  
8 least.

9           **COMMISSIONER CLARK:** Summarize for me why it  
10 is different, why it should be different.

11           **MR. BALLINGER:** Why it should be different?

12           **COMMISSIONER CLARK:** I'm sure it's in there  
13 but it got late.

14           **MR. BALLINGER:** I understand. It's late. A  
15 wheeled broker sale is no different than a wheeled  
16 emergency sale is no different than a wheeled  
17 short-term maintenance sale. And all of those with  
18 wheeling revenues were estimated in the last rate case  
19 and included in adjusting base rates. That's why they  
20 are credited back to operating revenues. Directly  
21 interconnected broker sales, this new transmission  
22 component that's just come up, was never considered.

23           **COMMISSIONER CLARK:** All right. Who is the  
24 alternative on that?

25           **MR. BALLINGER:** I am. I'm "Judy" today.

1 She's home sick.

2 COMMISSIONER CLARK: All right.

3 Mr. Bohrmann.

4 MR. BOHRMANN: Yes.

5 COMMISSIONER CLARK: And you disagree with  
6 that.

7 MR. BOHRMANN: Yes, I disagree with the  
8 primary recommendation.

9 COMMISSIONER CLARK: How much money are we  
10 talking about, do we know?

11 MR. BALLINGER: In transactions involving  
12 wheeling?

13 COMMISSIONER CLARK: The recommendation is  
14 that we commence a proceeding to remove it, that's the  
15 alternative, right? I guess I'm trying get a handle  
16 on --

17 MR. BOHRMANN: My recommendation is to flow  
18 the revenues that a wheeling utility would receive  
19 through the fuel clause and remove the effect from  
20 base rates.

21 COMMISSIONER CLARK: Which wouldn't  
22 necessarily require a full blown proceeding, right?

23 MR. BOHRMANN: No, I don't think so.

24 COMMISSIONER CLARK: I don't have any more  
25 questions. I can move Staff.

1                   **CHAIRMAN JOHNSON:** Is there a second?

2 Commissioner Garcia.

3                   **COMMISSIONER GARCIA:** Yes, second.

4                   **CHAIRMAN JOHNSON:** Show it then approved  
5 unanimously.

6                   **MS. PAUGH:** Chairman Johnson, is that moved  
7 primary Staff or alternate as to Issue 12?

8                   **COMMISSIONER CLARK:** Primary.

9                   **CHAIRMAN JOHNSON:** I'm assuming it was  
10 primary.

11                   Let me make clear to the extent we may have  
12 an opportunity to address my view was we were -- this  
13 is the way we accounted for it. That doesn't mean --  
14 this decision wouldn't preclude us from doing it  
15 differently if we are in a rate case.

16                   **MR. BALLINGER:** That was my recollection,  
17 yes. You didn't have evidence in this record about  
18 other sales and that kind of thing.

19                   **COMMISSIONER CLARK:** That sounds good.

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1 STATE OF FLORIDA)  
2 COUNTY OF LEON )

CERTIFICATE OF REPORTER

3 I, JOY KELLY, CSR, RPR, Chief, Bureau of  
4 Reporting, Official Commission Reporter,

5 DO HEREBY CERTIFY that the hearing in Docket  
6 No. 970001-EI was heard by the Florida Public Service  
7 Commission at the time and place herein stated; it is  
8 further

9 CERTIFIED that I stenographically reported  
10 the said proceedings; that the same has been  
11 transcribed by me; and that this transcript,  
12 consisting of 6 pages, constitutes a true  
13 transcription of my notes of said proceedings.

14 DATED this 6th day of January, 1998.

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