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February 9, 1998

VIA HAND DELIVERY

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

Re: Docket No. 980001-E1

Dear Ms. Bayo:

Enclosed for filing and distribution are the original and ten copies of the Florida Industrial Power Users Group's Response to Florida Power Corporation's Motion for Reconsideration in the above docket.

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

Sincerely,

ACK ✓  
AFA *Vicki Gordon Kaufman*

APP \_\_\_\_\_ Vicki Gordon Kaufman

CAF \_\_\_\_\_

CMU \_\_\_\_\_ VGK/pw

CTR \_\_\_\_\_ Encis.

EAG *Robertson*

LEG 1

LIN 3

OPC \_\_\_\_\_

RH \_\_\_\_\_

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RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NO. 98-0001-E1

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FPSC-BUREAU OF RECORDS

ORIGINAL

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Fuel and purchased power )  
cost recovery clause. )  
\_\_\_\_\_ )

Docket No. 980001-EI  
Filed: February 9, 1998

**THE FLORIDA INDUSTRIAL POWER USERS GROUP'S  
RESPONSE TO FLORIDA POWER CORPORATION'S  
MOTION FOR RECONSIDERATION**

The Florida Industrial Power Users Group (FIPUG), pursuant to rule 25-22.060, Florida Administrative Code, files its Response to the Motion for Reconsideration filed by Florida Power Corporation (FPC). FPC's motion should be denied for the following reasons.

1. FPC asks this Commission to reconsider Order No. PSC-98-0073-FOF-EI (Order). However, FPC has failed to meet the standard for reconsideration. The purpose of a motion for reconsideration is to point out to the Commission a matter of fact or law which it has overlooked. Diamond Cab. Co. of Miami v. King, 146 So.2d 889 (Fla. 1962); Pingree v. Quaintance, 394 So.2d 161 (Fla. 1st DCA 1981). In this instance, FPC has not pointed out any matter which the Commission has overlooked but rather is merely rearguing points it made without success at hearing.

2. In fact, as FPC recognizes, the Commission recited FPC's arguments in some detail in its Order and then clearly stated: "We do not agree with FPC." Order at 8. Thus, FPC's motion does not meet the standard for reconsideration.

3. In essence, FPC takes issue with the Commission's decision that no "transmission separation factor" should be applied to economy sales. However, the Commission clearly understood and plainly rejected FPC's testimony on this point:

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According to FPC's calculations, applying the transmission-related separations factor to this revenue results in a reduced credit to retail customers through the fuel clause for sales under exiting economy agreements.

We see no compelling reason for applying a base rate separations factor to non-separated sales. Previously, we have clearly stated that revenues from non-separated sales should be credited to retail customers to compensate them for supporting the investment used in making these sales.

Order at 8.

4. FPC provides three reasons for its reconsideration request; each is without merit and should be rejected. First, FPC states that the Commission has misunderstood the proper use of a transmission separation factor. However, as the quoted language above indicates, the Commission understood the use of a transmission separation factor, as urged by FPC, and found that in this instance there was no compelling reason to apply such a factor.

5. Second, FPC argues that the Commission erred in concluding that retail customers support FPC's transmission investment. But retail customers do support the transmission system and as the Commission recognized, "revenues from non-separated sales should be credited to retail customers to compensate them for supporting the investment used in making these sales."

6. Finally, FPC argues that the Commission has overlooked the import of FERC Order 888 and that the Commission's Order would require it to credit excess revenues to the retail ratepayers. However, the manner in which revenue derived from the Florida Broker system is credited is a matter within this Commission's jurisdiction

not the FERC's and the Commission should use its jurisdiction to protect retail ratepayers as it has done in regard to the ruling to which FPC objects.

**WHEREFORE**, FPC's has failed to show a basis for its motion for reconsideration and such motion should be denied.

*Vicki Gordon Kaufman*

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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 **Florida Industrial Power Users Group's** foregoing **Response to Florida Power Corporation's Motion for Reconsideration** has been furnished by hand delivery(\*) or by U.S. Mail to the following parties of record this **9th** day of **February, 1998**:

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