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ORIGINAL

RECEIVED-PPSC

98 AUG -5 PM 4: 36

RECORDS AND
REPORTING

August 5, 1998

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

RE: Docket No. 980001-EI

Dear Ms. Bayó:

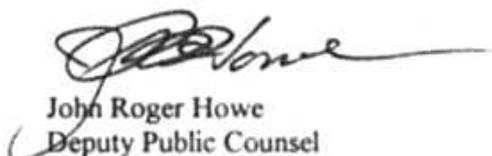
Enclosed are an original and fifteen copies of the Prehearing Statement of the Office of Public Counsel in the above-referenced docket.

Also enclosed is a 3.5 inch diskette containing the Prehearing Statement of the Office of Public Counsel in WordPerfect for Windows 6.1. Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

RECEIVED & FILED


FPSC-BUREAU OF RECORDS

Sincerely,


John Roger Howe
Deputy Public Counsel

ACK _____
AFA Wanderer
APP _____
CAF JRH/dsb
CMU Enclosures
CTR _____
EAG Behrman
LEG 1
LIN 3
OPC _____
RCH _____
SEC 1
WAS _____
OTH _____

DOCUMENT NUMBER-DATE

08307 AUG-5 98

FPSC-RECORDS/REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power)
Cost Recovery Clause with)
Generating Performance Incentive)
Factor)
_____)

DOCKET NO. 980001-EI
FILED: August 5, 1998

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-98-0814-PCO-EI, issued June 19, 1998, submit this Prehearing Statement.

APPEARANCES:

JOHN ROGER HOWE, ESQUIRE
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida

A. WITNESSES:

None.

B. EXHIBITS:

None.

C. STATEMENT OF BASIC POSITION

None Necessary.

D. STATEMENT OF FACTUAL ISSUES AND POSITIONS

DOCUMENT NUMBER-DATE

08307 AUG-5 98

FPSC-RECORDS/REPORTING

Generic Fuel Adjustment Issues

ISSUE 1: What are the appropriate final fuel adjustment true-up amounts for the period October 1997 through March 1998?

OPC:

FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 2: What are the appropriate estimated fuel adjustment true-up amounts for the period April 1998 through September 1998?

OPC:

FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 3: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded?

OPC:

FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 4: What is the appropriate recovery period to collect/refund the total fuel adjustment true-up amounts?

OPC:

FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.

GPC: No position at this time.
TECO: No position at this time.

ISSUE 5: Should the Commission allow the electric utilities to keep their levelized fuel cost recovery factors at the rate set by Order No. PSC-98-0412-FOF-EI, in Docket No. 980001-EI, issued March 20, 1998, for the period October 1998 through December 1998?

OPC: It depends on the magnitude of the change which would be implemented for October - December, 1998, as well as the expected change in January, 1999. FPUC's new factor for its Fernandina Beach Division, for example, would reduce charges substantially, by \$4.34 for a 1,000 KWH residential customer. This lower charge should be implemented for October - December, 1998, unless, perhaps, an offsetting increase would be required for January - December, 1999. FPC's witness, Mr. Wieland, recommends that current factors should be continued for October - December, 1998, because the difference is so small. But his comparison is based upon a continuation of the current factor versus one based upon an October, 1998 - March, 1999, projection period. Tampa Electric's witness Zwolak, on the other hand, recommends continuation of the current factor based upon projected costs for the period October, 1998 - December, 1998. Gulf's position is apparently consistent with Tampa Electric's.

ISSUE 6: What are the appropriate levelized fuel cost recovery factors for the period October 1998 through December 1998?

OPC:
FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 7: What should be the effective date of the new fuel adjustment charge and capacity cost recovery charge for billing purposes?

OPC:
FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 8: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

OPC:

FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 9: What are the appropriate Fuel Cost Recovery Factors for each rate class/delivery voltage level class adjusted for line losses?

OPC:

FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 10: What is the appropriate revenue tax factor to be applied in calculating each company's levelized fuel factor for the projection period of October 1998 through December 1998?

OPC:

FPC: No position at this time.
FPL: No position at this time.
FPUC: Fernandina: No position at this time.
Marianna: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

Company-Specific Fuel Adjustment Issues

Florida Power Corporation

ISSUE 11A: Has Florida Power Corporation confirmed the validity of the methodology used to determine the equity component of Electric Fuels Corporation's capital structure for calendar year 1997?

OPC: No position at this time.

ISSUE 11B: Has Florida Power Corporation properly calculated the market price true-up for coal purchases from Powell Mountain?

OPC: No position at this time.

ISSUE 11C: Has Florida Power Corporation properly calculated the 1997 price for waterborne transportation services provided by Electric Fuels Corporation?

OPC: No position at this time.

Tampa Electric Company

ISSUE 12A: What is the appropriate 1997 benchmark price for coal Tampa Electric Company purchased from its affiliate, Gatliff Coal Company?

OPC: No position at this time.

ISSUE 12B: Has Tampa Electric Company adequately justified any costs associated with the purchase of coal from Gatliff Coal Company that exceed the 1997 benchmark price?

OPC: No position at this time.

ISSUE 12C: What is the appropriate 1997 waterborne coal transportation benchmark price for transportation services provided by affiliates of Tampa Electric Company?

OPC: No position at this time.

ISSUE 12D: Has Tampa Electric Company adequately justified any costs associated with transportation services provided by affiliates of Tampa Electric Company that exceed the 1997 waterborne transportation benchmark price?

OPC: No position at this time.

ISSUE 12E: How should Tampa Electric continue the temporary base rate reduction pursuant to the stipulation approved by the Commission by Order No. PSC-96-1300-S-EI, in Docket No. 960409-EI, issued October 24, 1996?

OPC: No position at this time.

Generic Generating Performance Incentive Factor Issues

ISSUE 13: What is the appropriate GPIF reward or penalty for performance achieved during the period October 1997 through March 1998?

OPC:

FPC: No position at this time.
FPL: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 14: What should the GPIF targets/ranges be for the period October 1998 through December 1998?

OPC:

FPC: No position at this time.
FPL: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

Generic Capacity Cost Recovery Issues

ISSUE 15A: What is the appropriate final capacity cost recovery true-up amount for the period October 1997 through March 1998?

OPC:

FPC: No position at this time.
FPL: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 15B: What is the appropriate final capacity cost recovery true-up amount for the period October 1996 through September 1997?

OPC:

FPC: No position at this time.
FPL: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 16A: What is the estimated capacity cost recovery true-up amount for the period April 1998 through September 1998?

OPC:

FPC: No position at this time.
FPL: No position at this time.
GPC: No position at this time.
TECO: No position at this time.

ISSUE 16B: What is the estimated capacity cost recovery true-up amount for the period October 1997 through September 1998?

OPC:

FPC: No position at this time.

FPL: No position at this time.

GPC: No position at this time.

TECO: No position at this time.

ISSUE 17: What is the total capacity cost recovery true-up amount to be collected/refunded?

OPC:

FPC: No position at this time.

FPL: No position at this time.

GPC: No position at this time.

TECO: No position at this time.

ISSUE 18: What is the appropriate recovery period to collect/refund the total capacity cost recovery true-up amounts?

OPC: No position at this time.

ISSUE 19: What is the appropriate projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period October 1998 through December 1998?

OPC: No position at this time.

ISSUE 20A: Should the Commission allow Florida Power Corporation and Tampa Electric Company to keep their capacity cost recovery factors at the rate set by Order No. PSC-98-0412-FOF-EI, in Docket No. 980001-EI, issued March 20, 1998, for the period October 1998 through December 1998?

OPC: See position on Issue 5.

ISSUE 20B: Should the Commission allow Gulf Power Company to keep its capacity cost recovery factors at the rate set by Order No. PSC-97-1045-FOF-EI, in Docket No. 97001-EI, issued September 5, 1997, for the period October 1998 through December 1998?

OPC: See position on Issue 5.

ISSUE 21: What are the projected capacity cost recovery factors for the period October 1998 through December 1998?

OPC: No position at this time.

E. STATEMENT OF LEGAL ISSUES AND POSITIONS: None at this time.

F. STATEMENT OF POLICY ISSUES AND POSITIONS: None at this time.

G. STIPULATED ISSUES: None.

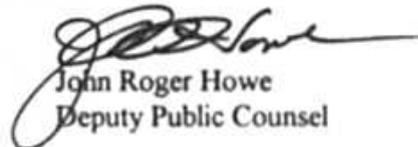
H. PENDING MOTIONS: None.

I. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Respectfully submitted,

Jack Shreve
Public Counsel


John Roger Howe
Deputy Public Counsel

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Attorneys for the Citizens
of the State of Florida

**CERTIFICATE OF SERVICE
DOCKET NO. 980001-EI**

I HEREBY certify that a copy of the foregoing PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL has been served by *hand delivery or U.S. Mail to the following parties of record on this 5th day of August, 1998.

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