

One Energy Place  
Pensacola, Florida 32520

850 444 6111

ORIGINAL



October 21, 1998

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

Dear Ms. Bayo:

RE: Docket No. 980007-EI

Enclosed are an original and ten copies of the Preliminary Statement of Gulf Power Company regarding Issues and Positions.

Also enclosed is a 3.5 inch double sided, high density diskette containing the Petition in WordPerfect for Windows 6.1 format as prepared on a Windows NT based computer.

ACK \_\_\_\_\_ Sincerely,  
AFA *2/1/98*  
APP \_\_\_\_\_ *Susan D. Cranmer*  
CAF \_\_\_\_\_ Susan D. Cranmer  
CMU \_\_\_\_\_ Assistant Secretary and Assistant Treasurer

CTR \_\_\_\_\_  
EAG *Teu*

LEG 1 Enclosure

LIN 3

OPC \_\_\_\_\_ cc: Beggs and Lane  
RCH \_\_\_\_\_ Jeffrey A. Stone, Esquire

SEC 1

WAS \_\_\_\_\_

OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

11850 OCT 23 88

FPSC-RECORDS/REPORTING

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost )  
 Recovery Clause. )  
 \_\_\_\_\_ )

Docket No. 980007-EI  
 Filed: October 22, 1998

**PRELIMINARY STATEMENT OF GULF POWER COMPANY  
 REGARDING ISSUES AND POSITIONS**

Gulf Power Company, ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned attorneys, hereby files this preliminary statement of issues and positions, saying:

**Generic Environmental Cost Recovery Issues**

**ISSUE 1:** What are the estimated environmental cost recovery true-up amounts for the period October, 1997 through September, 1998 and October 1998 through December 1998?

**GULF:** October, 1997 through September, 1998 -- over recovery of \$1,366,965 is currently estimated for the period. However, an estimated over-recovery of \$105,224 is already being refunded in the period October 1998 through December 1998 as approved in Order No. PSC-98-1224-FOF-EI. The difference between these two amounts, \$1,261,741, should be refunded in the period January 1999 through December 1999.

October 1998 through December 1998 -- over recovery of \$2,411,941.  
 (Vick, Cranmer)

**ISSUE 2:** What are the total environmental cost recovery true-up amounts to be collected/refunded during the January 1999 through December 1999 recovery period?

**GULF:** Refund of \$3,943,355. (excluding revenue taxes). This includes \$269,673, which is 9/12 of the final true-up for the period October 1996 through September 1997 as approved in Order No. PSC-98-1224-FOF-EI. (Cranmer)

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**ISSUE 3:** What are the appropriate projected environmental cost amounts to be included in the recovery factors for the January 1999 through December 1999 recovery period?

**GULF:** \$8,472,306. (Vick, Cranmer)

**ISSUE 4:** What are the appropriate Environmental Cost Recovery Factors for each rate group?

**GULF:** See table below: (Cranmer)

<b>RATE CLASS</b>	<b>ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH</b>
RS, RST	0.097
GS, GST	0.096
GSD, GSDT	0.086
LP, LPT	0.078
PX, PXT, RTP	0.072
OSI, OSII	0.057
OSIII	0.076
OSIV	0.129
SBS	0.072

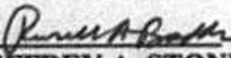
**ISSUE 5:** What should be the effective date of the new environmental cost recovery factors for billing purposes?

**GULF:** The factors should be effective beginning with the specified billing cycle and thereafter for the period January, 1999, through December, 1999. Billing cycles may start before January 1, 1999, and the last cycle may be read after December 31, 1999, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Cranmer)

**Company-Specific Environmental Cost Recovery Issues**

None

Respectfully submitted this 21<sup>st</sup> day of October, 1998.

  
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**Attorneys for Gulf Power Company**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost Recovery )  
Clause )

Docket No. 980007-EI

Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing has been furnished  
this 21st day of October 1998 by U.S. Mail or hand delivery to the following:

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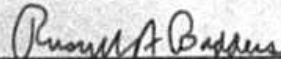
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