

STEEL  
HECTOR  
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REGISTERED LIMITED LIABILITY PARTNERSHIP

ORIGINAL

Steel Hektor & Davis LLP  
215 South Monroe, Suite 601  
Tallahassee, Florida 32301-1804  
850 222 2300  
850 222 8410 Fax  
www.steelhector.com

November 4, 1998

Charles A. Guyton  
850 222 3423

**By Hand Delivery**

Blanca S. Bayó, Director  
Records and Reporting  
Florida Public Service Commission  
4075 Esplanade Way, Room 110  
Tallahassee, Florida 32399-0850

**Re: Conservation Cost Recovery Clause  
Docket No. 980002-EG**

RECEIVED  
NOV 4 1998  
RECORDS & REPORTING

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company are the original and ten (10) copies of Florida Power & Light Company's Prehearing Statement.

Also enclosed is a diskette containing a copy of Florida Power & Light Company's Prehearing Statement. The diskette is a 3.5 inch high density diskette using Word Perfect 6.0 for Windows.

- ACK \_\_\_\_\_
- AFA Handover
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EG \_\_\_\_\_
- LEG 1
- LIN 3
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1 ones
- WAS cc All Parties of Record
- OTH \_\_\_\_\_

If you or your Staff have any questions regarding this filing, please contact me

Very truly yours,

Charles A. Guyton

TAL/26415-1

DOCUMENT NUMBER-DATE

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ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy Conservation Cost Recovery )  
Clause )

Docket No. 980002-EG  
Filed: November 4, 1998

FLORIDA POWER & LIGHT COMPANY'S  
PREHEARING STATEMENT

Florida Power & Light Company ("FPL"), pursuant to Order No. PSC-98-1239-PCO-EG, hereby files its Prehearing Statement in Docket No. 980002-EG.

(a) The name of all known witnesses that may be called by the party, and the subject matter of their testimony:

<u>Witness</u>	<u>Subject Matter</u>
Leonor Busto	Projection for January 1999 - December 1999, the Actual/Estimated True-Up for April 1998 - December 1998, and the Final True-Up for October 1997 - March 1998.

(b) A description of all known exhibits that may be used by the party, whether they may be identified on a composite basis, and the witness sponsoring each:

FPL has prefiled two exhibits that should be identified separately.

<u>Exhibit</u>	<u>Content</u>	<u>Sponsoring Witness</u>
LMB-1	Schedules CT-1 through CT-6, Appendix A	L. M. Busto
LMB-2	Schedules C-1 through C-5	L. M. Busto

(c) A statement of basic position in the proceeding:

FPL's proposed Conservation Cost Recovery Factors for the January 1999 through December 1999 recovery period and true-up amounts for prior periods should be approved.

d) A statement of each question of fact the party considers at issue, the party's position on each such issue, and which of the party's witnesses will address the issue:

General Issues

**ISSUE 1:** What is the final end-of-the-period true-up amount for the period October 1997 through March 1998:

FPL: \$ 1,389,882 underrecovery (Busto)

**ISSUE 2:** What are the appropriate conservation cost recovery factors for the period January 1999 through December 1999?

FPL:	<u>Rate Class</u>	<u>ECCR Factor</u>	<u>Rate Class</u>	<u>ECCR Factor</u>
	RS1	.00215 \$/kWH	SSTIT	.00148 \$/kWH
	GS1	.00202 \$/kWH	SSTID	.00181 \$/kWH
	GSD1	.00191 \$/kWH	CILCD/CILCG	.00175 \$/kWH
	OS2	.00164 \$/kWH	CILCT	.00159 \$/kWH
	GSLD1/CS1	.00190 \$/kWH	MET	.00188 \$/kWH
	GSLD2/CS2	.00181 \$/kWH	OL1/SL1	.00141 \$/kWH
	GSLD3/CS3	.00163 \$/kWH	SL2	.00168 \$/kWH
	ISSTID	.00194 \$/kWH		

(Busto)

**Company-Specific Conservation Cost Recovery Issues**

Florida Power & Light Company

**ISSUE 3:** Has FPL accurately measured the savings that are attributed to the customers that are eligible for FPL's Commercial and Industrial Load Control (CILC) Program?

FPL: This issue is not appropriate for this hearing as Staff has not even conducted discovery regarding this issue. If the purpose of identifying the issue is to put FPL on notice that Staff may pursue the issue with a prospective application from when it is ultimately presented to the Commission, then this issue should not be identified as an issue for this proceeding but for a later proceeding. If the purpose of this issue is to raise an issue for subsequent resolution which may reach back to when the Staff raised the issue, then FPL requests leave to file supplemental testimony addressing the issue and proceed to its resolution at the November 1998 hearing. FPL's continuing administration of its CILC Program should not be put at risk because Staff

is not prepared to go to hearing on an issue it raised after the time for prefiling testimony.

FPL has accurately measured the savings attributable to the customers eligible for the CILC Program.

**ISSUE 4:** Should FPL customers who entered into agreements to participate in FPL's CILC Program but have not taken service under the CILC Program continue to be eligible for service under the CILC rate?

**FPL:** This issue is not appropriate for this hearing; Staff is not prepared to go to hearing on the issue. If the purpose of identifying the issue is to put FPL on notice that Staff may pursue the issue with a prospective application from when it is ultimately presented to the Commission, then this issue should not be identified as an issue for this proceeding but for a later proceeding. If the purpose of this issue is to raise an issue for subsequent resolution which may reach back to when the Staff raised the issue, then FPL requests leave to file supplemental testimony addressing the issue and proceed to its resolution at the November 1998 hearing. FPL's continuing administration of its CILC Program should not be put at risk because Staff is not prepared to go to hearing on an issue it raised after the time for prefiling testimony.

The customers who have entered into CILC agreements but who have not yet taken service should continue to be eligible for the CILC rate. This is consistent with the terms of FPL's CILC rate and its CILC Program design. FPL needs the sign up of these customers to achieve its aggressive DSM goals through the year 2000. Some such customers have made expenditures in reliance upon that rate and their continuing eligibility. An attempt to restrict eligibility would be a program modification to the CILC Program, and the Commission's authority under FEECA is limited to approving or disapproving programs as they are offered by the utility.

**(e) A statement of each question of law the party considers at issue and the party's position on each such issue:**

FPL is not aware of any questions of law at issue.

**(f) A statement of each policy question the party considers at issue, the party's position on each such issue, and which of the party's witnesses will address the issue:**

FPL is not aware of any policy issues which are contested.

**(g) A statement of issues that have been stipulated to by the parties:**

FPL believes its true-ups and ECCR factors are uncontested and may be stipulated.

**(h) A statement of all pending motions or other matters the party seeks action upon:**

FPL has no pending motions or other matters upon which it seeks action other than its pending petitions for approval of a final true-up and conservation cost recovery factors. However, if Issues 3 and 4 are intended to put FPL's continuing administration of its CILC Program at risk, then FPL has a pending request for leave to file supplemental testimony addressing the two issues.

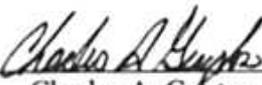
**(i) A statement as to any requirement set forth in the Order On Prehearing Procedure that cannot be complied with, and the reasons therefor.**

FPL believes it has complied with all requirements for orders regarding prehearing procedures.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP  
215 S. Monroe St., Suite 601  
Tallahassee, Florida 32301  
(850) 222-2300

Attorneys for Florida Power  
& Light Company

By:   
Charles A. Grayton

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Prehearing Statement was served by Hand Delivery (when indicated with an \*) or mailed this 4th day of November, 1998 to the following:

Cochran Keating, Esquire \*  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Gunter Building, Room 370  
Tallahassee, Florida 32399-0850

Lee L. Willis, Esquire \*  
James D. Beasley, Esquire  
Ausley Law Firm  
227 South Calhoun Street  
Tallahassee, Florida 32302

Jeffrey A. Stone, Esquire  
G. Edison Holland, Esquire  
Beggs & Lane  
Post Office Box 12950  
Pensacola, Florida 32576-2950

Joseph A. McGlothlin, Esquire \*  
Vicki Gordon Kaufman, Esquire  
McWhirter, Reeves, et al.  
117 South Gadsden Street  
Tallahassee, Florida 32301

John W. McWhirter, Jr., Esquire  
McWhirter, Reeves, et al.  
Post Office Box 3350  
Tampa, Florida 33601

Jack Shreve, Esquire \*  
Roger Howe, Esquire  
Office of Public Counsel  
111 West Madison Street  
Room 812  
Tallahassee, Florida 32399

Colette Powers  
Indiantown Gas Company  
Post Office Box 8  
Indiantown, Florida 34956-0008

Kenneth A. Hoffman, Esquire \*  
Rutledge, Ecenia, Underwood,  
Purnell & Hoffman  
215 South Monroe Street  
Suite 420  
Tallahassee, Florida 32301

Norman Horton, Jr., Esquire \*  
Messer, Caparello, et al.  
215 South Monroe Street, Suite 701  
Tallahassee, Florida 32301

Wayne L. Schiefelbein, Esquire \*  
Ruden, McClosky et al.  
215 South Monroe Street  
Suite 815  
Tallahassee, Florida 32301

Debbie Stitt  
Energy Conservation Analyst  
St. Joe Natural Gas Company  
Post Office Drawer 549  
Port St. Joe, Florida 32456

James A. McGee, Esquire  
Florida Power Corporation  
Post Office Box 14042  
St. Petersburg, Florida 33733

Michael Palecki, Esquire  
City Gas Company of Florida  
955 East 25th Street  
Hialeah, Florida 33013-3498

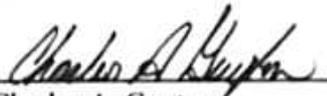
Sebring Gas System, Inc.  
3515 highway 27 South  
Sebring, Florida 33870-5452

Peter Martin  
South Florida Natural Gas Company  
101 NW 202 Terrace  
Post Office Box 69000-J  
Miami, Florida 33269-0078

Legal Environmental Assistance  
Foundation, Inc.  
Gail Kamaras, Esquire  
1114-E Thomasville Road  
Tallahassee, Florida 32303-6290

Stuart L. Shoaf  
St. Joe Natural Gas Company, Inc.  
Post Office Box 549  
Port St. Joe, Florida 32457-0549

Ansley Watson, Jr., Esquire  
Macfarlane, Ferguson & McMullen  
P.O. Box 1531  
Tampa, Florida 33602

  
Charles A. Guyton

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