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RECORDS AND REPORTING



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March 4, 1999

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. 990001-EI

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of Citizen's Post-Hearing Statement in the above-referenced docket.

Also enclosed is a 3.5 inch diskette containing the Citizen's Post-Hearing Statement 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.

Sincerely,

Stephen C. Burgess  
Deputy Public Counsel

ACK \_\_\_\_\_  
AFA Handover  
APP \_\_\_\_\_  
CAF \_\_\_\_\_  
CMM \_\_\_\_\_  
CTE \_\_\_\_\_  
EAB Bohman  
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FPSC-RECORDS/REPORTING

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Fuel and purchased power )  
cost recovery clause and )  
generating performance incentive )  
factor. )  
\_\_\_\_\_ )

DOCKET NO.: 990001-EI  
FILED: March 4, 1999

**CITIZEN'S POST-HEARING STATEMENT**

The Citizens of the State of Florida, through their attorney, the Public Counsel, pursuant to Order No. PSC-99-0196-PHO-EI, hereby file this Post-Hearing Statement.

**BASIC POSITION**

Transmission revenue associated with economy sales made through the Energy Broker Network should be allocated on an energy separation basis.

**ISSUE 1:** Does the FERC require that revenue from non-firm transmission services subject to FERC jurisdiction be reflected as a revenue credit in the derivation of firm transmission service rates subject to FERC jurisdiction?

**POSITION:** All of the evidence presented on this issue supports the position that FERC does require non-firm transmission to be reflected as a revenue credit in the derivation of firm transmission rates.

**ISSUE 2:** How should the transmission revenues associated with economy transactions over the Energy Broker Network be allocated between the retail and wholesale jurisdiction?

**POSITION:** Transmission revenue associated with economy sales made through the Energy Broker Network should be allocated on an energy separation basis.

## RATIONALE

The Citizens believe that any resolution should be applied consistently to all of Florida's electric utilities. Testimony demonstrates that numerous inconsistencies currently exist in the treatment of fuel issues. This uneven treatment creates inequities, as well as confusion. There is no valid reason for the same transaction to be handled differently by each of the utilities.

The Commission should not compound the problem by allowing inconsistent treatments on the issue at hand. Whatever is determined should apply to all of the electric utilities.

Florida Power and Light and Gulf Power both urge the Commission to allow them to continue allocating the revenue based on the energy separation basis. Their position is one of simple practicality: the cost of changing the allocation factor is substantial; the effect of changing it is negligible. Since they see no compelling reason to change the allocation factor, they seek to avoid the expense required to do so.

Florida Power Corporation (FPC), on the other hand, seeks approval to change the allocation factor to reflect a distribution basis. FPC also concedes that the effect would be negligible, but asserts that the cost to make such a shift would also be negligible.

The Citizens agree with Gulf and Florida Power and Light. There does not appear to be any compelling reason for the change, and the cost could be significant. They should not be required to make the change. Even though FPC is willing to expend the funds to shift allocation methods, the overriding issue is to ensure consistency of treatment throughout the industry. FPC should also be required to continue allocating the transmission revenue for broker sales on an energy separation basis.

ISSUE 3: The Citizens position is the same as that presented in response to Issue 2, above.

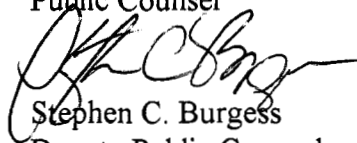
ISSUE 4: The Citizens position is the same as that presented in response to Issue 2, above.

ISSUE 5: The Citizens position is the same as that presented in response to Issue 2, above.

ISSUE 6: The Citizens position is the same as that presented in response to Issue 2, above.

Respectfully submitted,

Jack Shreve  
Public Counsel



Stephen C. Burgess  
Deputy Public Counsel

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Attorneys for the Citizens  
of the State of Florida

**CERTIFICATE OF SERVICE  
DOCKET NO. 990001-EI**

I HEREBY CERTIFY that a true and correct copy of Citizen's Post-Hearing Statement has been furnished to the following parties by hand-delivery(\*) or U.S. Mail this 4th day of March, 1999:

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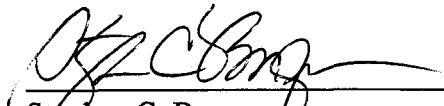
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