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MCWHIRTER REEVES

ATTORNEYS AT LAW

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TAMPA OFFICE:
400 NORTH TAMPA STREET, SUITE 2450
TAMPA, FLORIDA 33602
P. O. BOX 3350 TAMPA, FL 33601-3350
(813) 224-0866 (813) 221-1854 FAX

PLEASE REPLY TO:
TALLAHASSEE

TALLAHASSEE OFFICE:
17 SOUTH GADSDEN
TALLAHASSEE, FLORIDA 32301
(904) 222-2525
(904) 222-5606 FAX

October 26, 2000

VIA HAND DELIVERY

Blanca S. Bayo, Director
Division of Records and Reporting
Betty Easley Conference Center
4075 Esplanade Way
Tallahassee, Florida 32399-0870

Re: Docket No.: 000001-EI

Dear Ms. Bayo:

On behalf of the Florida Industrial Power users Group (FIPUG), enclosed for filing and distribution are the original, 15 copies and disk containing the following:

- The Florida Industrial Power Users Group's Prehearing Statement.

Please acknowledge receipt of the above on the extra copy of each and return the stamped copies to me in the envelope provided. Thank you for your assistance.

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Sincerely,

Vicki Gordon Kaufman

Vicki Gordon Kaufman

VGK/bae
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FPSC-BUREAU OF RECORDS

13763-00

DOCUMENT NUMBER-DATE

MCWHIRTER, REEVES, MCGLOTHLIN, DAVIDSON, DECKER, KAUFMAN, ARNOLD OCT 26 2000

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. 000001-EI

Filed: October 26, 2000

The Florida Industrial Power Users Group's Prehearing Statement

The Florida Industrial Power Users Group (FIPUG) hereby files its Prehearing Statement.

A. APPEARANCES:

JOHN W. MCWHIRTER, JR., McWhirter Reeves McGlothlin Davidson Decker Kaufman Arnold & Steen , P.A., 400 North Tampa Street, Suite 2450, Tampa, Florida 33601-3350 and **JOSEPH A. MCGLOTHLIN and VICKI GORDON KAUFMAN**, McWhirter Reeves McGlothlin Davidson Decker Kaufman Arnold & Steen, P.A., 117 South Gadsden Street, Tallahassee, Florida 32301

On Behalf of the Florida Industrial Power Users Group.

B. WITNESSES:

None.

C. EXHIBITS:

None.

D. STATEMENT OF BASIC POSITION:

E. STATEMENT OF ISSUES AND POSITIONS:

GENERIC FUEL ADJUSTMENT ISSUES

1. **ISSUE:** What are the appropriate final fuel adjustment true-up amounts for the period January, 1999 through December, 1999?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position

on this issue by the date of the prehearing conference.

2. **ISSUE:** What are the appropriate estimated fuel adjustment true-up amounts for the period January, 2000 through December, 2000?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

3. **ISSUE:** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January, 2001 to December, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

4. **ISSUE:** What are the appropriate levelized fuel cost recovery factors for the period January, 2001 to December, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

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

FIPUG: The new factors should be effective beginning with the first billing cycle for January 2001 and thereafter through the last billing cycle for December 2001. The first billing cycle may start before January 1, 2001, and the last billing cycle may end after December 31, 2001, so long as each customer is billed for twelve months regardless of when the factors become effective.

6. **ISSUE:** 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?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

7. **ISSUE:** What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

8. **ISSUE:** What is the appropriate revenue tax factor to be applied in calculating each

investor-owned electric utility's levelized fuel factor for the projection period of January, 2000 to December, 2000?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

9. **ISSUE:** How should the Commission's decision as set forth by Order No. PSC-00-1744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, concerning the application of incentives to wholesale energy sales, be implemented:

FIPUG: FIPUG filed a motion for reconsideration and protest on October 11, 2000. The order should not be implemented until these matters are resolved.

10. **ISSUE:** What is the appropriate estimated benchmark level for calendar year 2001 for gains on non-separated wholesale energy sales eligible for a shareholder incentive as set forth by Order No. PSC-00-1744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, for each investor-owned electric utility:

FIPUG: FIPUG filed a motion for reconsideration and protest on October 11, 2000. The order should not be implemented until these matters are resolved.

COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

Florida Power & Light Company

ISSUE 11A: Should the Commission allow Florida Power & Light to collect its estimated/actual true-up underrecovery for calendar year 2000 over a two-year period, commencing in 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 11B: What is the appropriate regulatory treatment of the remainder of the final calendar year 1999 and estimated/actual calendar year 2000 true-up amounts, as determined in Issues 1 and 2, that would not be collected by Florida Power & Light through the fuel and purchased power cost recovery clause as of December 31, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 11C: What is the appropriate regulatory treatment for the \$222.5 million payment to settle litigation between FPL and Okeelanta Cogen and Osceola Cogen as approved by the Commission in Order No. PSC-00-xxxx-PA-EI, in Docket No. 000982-EI, issued October xx, 2000?

FIPUG: No position.

Florida Power Corporation

ISSUE 12A: 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 1998?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 12B: Has Florida Power Corporation properly calculated the market price true-up for coal purchases from Powell Mountain?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 12C: Has Florida Power Corporation properly calculated the 1999 price for waterborne transportation services provided by Electric Fuels Corporation?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 12D: How should the Commission authorize Florida Power Corporation to collect its final calendar year 1999 and estimated/actual calendar year 2000 true-up amounts, as determined in Issues 1 and 2?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 12E: Should the Commission approve Florida Power Corporation's proposed regulatory treatment for its 50 MW wholesale power sale, commencing on April 1, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

Tampa Electric Company

ISSUE 13A: What is the appropriate 1999 benchmark price for coal Tampa Electric Company purchased from its affiliate, Gatliff Coal Company?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 13B: Has Tampa Electric Company adequately justified any costs associated with the purchase of coal from Gatliff Coal Company that exceed the 1999 benchmark price?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 13C: What is the appropriate 1999 waterborne coal transportation benchmark price for transportation services provided by affiliates of Tampa Electric Company?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 13D: Has Tampa Electric Company adequately justified any costs associated with transportation services provided by affiliates of Tampa Electric Company that exceed the 1999 waterborne transportation benchmark price?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 13E: Should the Commission approve Tampa Electric's request to implement an experimental two-year pilot program that offers optional seasonally-differentiated fuel factors for customers on interruptible rate schedules?

FIPUG: Yes.

ISSUE 13F: If the Commission approves Tampa Electric's request to implement an experimental pilot program in Issue 13E, what are the appropriate seasonal fuel and purchased power cost recovery factors by rate schedule for January 2001 through December 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 13G: If the Commission approves Tampa Electric's request to implement an experimental pilot program in Issue 13E, what is the appropriate regulatory treatment of any revenue differential that may occur during the pilot?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

ISSUE 14: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January, 1999 through December, 1999 for each investor-owned electric utility subject to the GPIF?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 15: What should the GPIF targets/ranges be for the period January, 2002 through December, 2002 for each investor-owned electric utility subject to the GPIF?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 16: What are the appropriate estimated capacity cost recovery true-up amounts for the period January, 1999 through December, 1999?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 17: What are the appropriate estimated/ actual capacity cost recovery true-up amounts for the period January, 2000 through December, 2000?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 18: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January, 2001 through December, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 19: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January, 2001 through December, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 20: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January, 2001 through December, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

ISSUE 21: What are the projected capacity costs recovery factors for the period January, 2001 through December, 2001?

FIPUG: FIPUG has no position at this time, but reserves the right to take a position on this issue by the date of the prehearing conference.

F. STIPULATED ISSUES:

None.

G. PENDING MOTIONS:

None.

H. OTHER MATTERS:

None at this time.



John W. McWhirter, Jr.
McWhirter Reeves McGlothlin Davidson
Decker Kaufman Arnold & Steen, P.A.
400 North Tampa Street, Suite 2450
Tampa, Florida 33601-3350

Joseph A. McGlothlin
Vicki Gordon Kaufman
McWhirter Reeves McGlothlin Davidson
Decker Kaufman Arnold & Steen, P.A.
117 South Gadsden Street
Tallahassee, Florida 32301

Attorneys for the Florida Industrial
Power Users Group

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing FIPUG Prehearing Statement has been furnished by *hand delivery, or U.S. Mail this 26th day of October, 2000, to the following:

(*)Wm. Cochran Keating IV
Florida Public Service Commission
Division of Legal Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

John Roger Howe
Office of the Public Counsel
111 West Madison Street
Room 812
Tallahassee, Florida 32399

Matthew M. Childs
Steel Hector & Davis LLP
215 South Monroe Street
Suite 601
Tallahassee, Florida 32301

Lee L. Willis
James D. Beasley
Ausley & McMullen
227 S. Calhoun Street
Tallahassee, Florida 32302

Jeffrey A. Stone
Beggs & Lane
Post Office Box 12950
Pensacola, Florida 32576

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

Norman H. Horton
Messer, Caparello & Self
215 South Monroe Street
Suite 701
Tallahassee, Florida 32302

John T. English
Florida Public Utilities Company
Post Office Box 3395
West Palm Beach, Florida 33402


Vicki Gordon Kaufman