



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: November 16, 2000
TO: All Parties of Record
FROM: Cochran Keating, Senior Attorney, Division of Legal Services ^{WCK}
RE: Docket No. 000001-EI - Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor.

Via Facsimile

Pursuant to our conference call this morning, staff has prepared proposed stipulated positions for Issues 9 and 10, concerning implementation of the Commission's recent order modifying the shareholder incentive program. The proposed language is attached. Please contact me at (850) 413-6193 as soon as possible, but no later than 12:00 noon, Friday, November 17, to indicate whether your party can or cannot agree to the proposed language. Also, please contact me as soon as possible if your party has any suggested changes to this language.

WCK/jb
 Attachment
 cc: Division of Safety and Electric Reliability
 Division of Economic Regulation
 Division of Regulatory Oversight
 i:\000001mf.wck

- APP _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
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- SER _____
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DOCUMENT NUMBER-DATE

14895 NOV 17 8

FPSC-RECORDS/REPORTING

PROPOSED STIPULATED POSITIONS FOR ISSUES 9 AND 10

ISSUE 9: 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?

STAFF: The Commission should defer this issue until FIPUG's motion for clarification of Parts I and II and protest of Part III of Order No. PSC-00-1744-PAA-EI are resolved by final Commission order. The Commission's resolution of FIPUG's motion for clarification and protest should be applied effective January 1, 2001, to ensure consistent application of Order No. PSC-00-1744-PAA-EI throughout 2001. The parties explicitly recognize that a final decision on FIPUG's motion and protest will likely not be made until after January 1, 2001.

ISSUE 10: 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?

STAFF:

FPC:	\$11,061,127
FPL:	\$47,377,541
GULF:	\$830,000
TECO:	\$4,648,490

The parties acknowledge that the amounts listed for each utility's 2001 estimated benchmark level of gains on non-separated wholesale energy sales eligible for a shareholder incentive may change as a result of the Commission's resolution of FIPUG's pending motion for clarification of Parts I and II and protest of Part III of Order No. PSC-00-1744-PAA-EI. Each utility's actual benchmark level of gains for 2001 (1) will be determined when all actual sales data for the remainder of calendar year 2000 is available and (2) will be calculated consistent with the Commission's resolution of FIPUG's pending motion for clarification of Parts I and II and protest of Part III of Order No. PSC-00-1744-PAA-EI.