

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Energy conservation cost recovery
clause.

DOCKET NO. 060002-EG

DATED: OCTOBER 9, 2006

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-06-0208-PCO-EG, filed March 15, 2006, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff does not intend to call any witnesses.

b. All Known Exhibits

Staff does not intend to sponsor any exhibits, but reserves the right to use exhibits for the purpose of cross-examination.

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

Generic Conservation Cost Recovery Issues

ISSUE 1: What are the appropriate final conservation cost recovery true-up amounts for the period January 2005 through December 2005?

POSITION:

Florida Power & Light (FPL)	\$11,521,004	Overrecovery
Florida Public Utilities (FPUC)	\$106,997	Overrecovery
Gulf Power Company (GPC)	\$863,487	Overrecovery
Progress Energy Florida (PEF)	\$9,598,366	Overrecovery
Tampa Electric Company (TECO)	\$2,614,594	Overrecovery

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ISSUE 2: What are the appropriate conservation cost recovery factors for the period January 2007 through December 2007?

POSITION:

FPL	Rate Class	ECCR Factor
	RS1/RST1	0.169 cents/Kwh
	GS1/GST1.	0.162 cents/Kwh
	GSD1/GSDT1	0.148 cents/Kwh
	OS2	0.125 cents/Kwh
	GSLD1/GSLDT1/CS1/CST1	0.150 cents/Kwh
	GSLD2/GSLDT2/CS2/CST2	0.138 cents/Kwh
	GSLD3/GSLDT3/GS3/GST3	0.131 cents/Kwh
	ISST1D	0.144 cents/Kwh
	ISST1T	0.096 cents/Kwh
	SST1T	0.096 cents/Kwh
	SST1D1/SST1D2/SST1D3	0.144 cents/Kwh
	CILCD/CILCG	0.135 cents/Kwh
	CILCT	0.127 cents/Kwh
	MET	0.152 cents/Kwh
	OL1/SL1/PL1	0.081 cents/Kwh
	Street Lighting 2	0.132 cents/Kwh

FPUC	Rate Class	ECCR Factor
	(Consolidated)	0.060 cents/Kwh

GULF	Rate Class	ECCR Factor
	RS, RSVP	0.088 cents/Kwh
	GS	0.087 cents/Kwh
	GSD, GSDT, GSTOU	0.083 cents/Kwh
	LP, LPT	0.079 cents/Kwh
	PX, PXT, RTP, CSA, SBS	0.074 cents/Kwh
	OSI, OSII	0.070 cents/Kwh
	OSIII	0.077 cents/Kwh

PEF	Rate Class	ECCR Factor
	Residential	0.196 cents/Kwh
	General Svc. Non-Demand	0.176 cents/Kwh
	@ Primary Voltage	0.174 cents/Kwh
	@ Transmission Voltage	0.172 cents/Kwh
	General Svc. 100% Load Factor	0.141 cents/Kwh
	General Svc. Demand	0.158 cents/Kwh
	@ Primary Voltage	0.156 cents/Kwh
	@ Transmission Voltage	0.155 cents/Kwh
	Curtable	0.131 cents/Kwh
	@ Primary Voltage	0.130 cents/Kwh
	@ Transmission Voltage	0.128 cents/Kwh
	Interruptible	0.144 cents/Kwh
	@ Primary Voltage	0.143 cents/Kwh
	@ Transmission Voltage	0.141 cents/Kwh
	Lighting	0.084 cents/Kwh

TECO	Rate Class	ECCR Factor
	Interruptible	0.061 cents/Kwh
	Residential	0.073 cents/Kwh
	General Svc., TS	0.071 cents/Kwh
	General Svc. Demand	0.063 cents/Kwh
	@ Primary Voltage	0.062 cents/Kwh
	General Svc. LD, SBF	0.056 cents/Kwh
	@ Primary Voltage	0.056 cents/Kwh
	@ Subtransmission Voltage	0.055 cents/Kwh
	SL, OL	0.026 cents/Kwh

ISSUE 3: What should be the effective date of the new conservation cost recovery factors for billing purposes?

POSITION: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2007 through December 2007. Billing cycles may start before January 1, 2007, and the last cycle may be read after December 31, 2007, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Company Specific Conservation Cost Recovery Issues

Tampa Electric Company

ISSUE 4: What is the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders for Tampa Electric Company for the period January 2007 through December 2007?

POSITION: In accordance with Order No. PSC-99-1778-FOF-EI, issued September 10, 1999, in Docket No. 990037-EI, the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders will be \$7.78 per KW for the period January 2007 through December 2007.

Florida Public Utilities Company

ISSUE 5: What adjustments should be made to Florida Public Utility Company's current period true-up (January 2006 thru December 2006) to limit recovery of the cost of promotional items distributed at fairs, festivals, conferences, and other similar events, for the year ended December 31, 2005?

POSITION: The 2005 over-recovery amount should be increased by \$1774.71 (including interest) and retained earnings debited. This adjusted over-recovery amount should be used as the beginning balance in the 2006 filing.

e. Stipulated Issues

There are no issues that have been stipulated at this time.

f. Pending Motions

Staff has no pending motions.

g. Pending Confidentiality Claims or Requests

Staff is aware of one pending confidentiality request, Document No. 06113-06.

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h. Compliance with Order No.PSC-06-0208-PCO-EG

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 9th day of October, 2006.



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement has been furnished by electronic mail and U. S. Mail this 9th day of October 2006, to the following:

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