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Sent: Friday, February 02, 2007 8:10 AM
To: Filings@psc.state.fl.us
Subject: Docket 070052-EI electronic filing
Attachments: 0722 FIPUG's Preliminary List of Issues and Positions.doc

ORIGINAL

1. John W. McWhirter, Jr., McWhirter Reeves & Davidson, P.A., 400 N. Tampa St. Tampa, FI 33602, jmcwhirter@mac-law.com is the person responsible for this electronic filing;
2. The filing is to be made in Docket 070052-EI, In re: PEF Petition to recover costs Of Crystal River 3 uprate through the fuel clause.
3. The filing is made on behalf of the Florida Industrial Power Users Group;
4. The total number of pages is 2; and
5. The attached document is The Florida Industrial Power User Group's Preliminary List of Issues.

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01136 FEB-25

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: PEF Petition to recover costs
Of Chrystal River 3 uprate through
The fuel clause.

Docket No. 070052-EI
Filed: February 2, 2006

**THE FLORIDA INDUSTRIAL POWER USERS GROUP'S
PRELIMINARY LIST OF ISSUES**

The Florida Industrial Power Users Group (FIPUG), files its preliminary list of issues.

FIPUG reserves the right to amend these issues:

- ISSUE 1:** Does the settlement in Docket authorize PEF to circumvent the base rate freeze approved by the Commission in Order PSC-05-0945-S-EI?
- ISSUE 2:** Is the capital substitution plan to recover capital costs through a fuel charge in the public interest?
- ISSUE 3:** Does the capital substitution plan promulgated by PEF guarantee fuel savings?
- ISSUE 4:** PEF projected fuel costs for 2004 to be \$1.3 Billion. It projects 2007 fuel costs to be \$2.1 billion, an increase of 61% in 3 years, is it prudent to amplify this tremendous rate increase by augmenting it with capital costs that are normally collected through base rates after detailed study?
- ISSUE 5:** On information and belief PEF proposes to collect preconstruction costs through cost recovery clauses for a newly proposed nuclear plant in the approximate amount of \$500 million five or six years before customers will see any savings from that plant, should the Commission consider this circumstance in this docket?
- ISSUE 6:** What is the appropriate depreciation rate, decommissioning charge and return on the capital investment under consideration in this nuclear uprate?
- ISSUE 7:** Does the current PEF on peak/off peak marginal fuel cost pricing mechanism fairly allocate the projected fuel cost savings to high load factor customers that will be allocated a greater portion of the capital costs attributable to the uprate?
- ISSUE 8:** Should the Commission consider the outcome of PEF's 1977 rate case in Docket 770316-EU entitled "*Petition of Florida Power Corporation to modify its rate schedules to reflect the true net savings resulting from the generation of electricity from its Crystal River Nuclear Unit*" when it makes its decision in this docket?

ISSUE 9: What will the operating factor of CR-3 be after the uprate?

ISSUE 10: What are the projected fuel cost increases while CR3 is off line during the uprate construction period? Should these costs be collected concurrently when fuel costs increase significantly or be amortized over the projected fuel savings period?

DOCKET NO. 070052-EI
CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing the Florida Industrial Power Users Group's Preliminary List of Issues and Positions has been furnished by e-mail and regular mail this 2nd day of February 2007, to the following:

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