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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Rate Increase by	)	
Tampa Electric Company	)	DOCKET NO. 080317-EI
	)	FILED: DECEMBER 23, 2008

PREHEARING STATEMENT OF THE FLORIDA RETAIL FEDERATION

The Florida Retail Federation (the "FRF"), pursuant to the Order Establishing Procedure in this docket, Order No. PSC-08-0557-PCO-EI, issued August 26, 2008, hereby submits the Federation's Prehearing Statement.

APPEARANCES:

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On behalf of the Florida Retail Federation

1. WITNESSES:

Kevin W. O'Donnell	Cost of Capital; Capital Structure; Rate Case Expense	Issues 29-31, 33-38, 63
John T. (Tom) Herndon	Cost of Capital	Issues 35-37

COM ___
ECR ___
GCL 1+Diskette
OPC ___
RCP 1
SSC 1
SGA 1
ADM ___
CLK ___

2. EXHIBITS:

The Florida Retail Federation is sponsoring the following exhibits through its witnesses:

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Exhibit	Witness	Description
______ (KWO-1)	Kevin W. O'Donnell	DCF Results
______ (KWO-2)	Kevin W. O'Donnell	DCF Summary
______ (KWO-3)	Kevin W. O'Donnell	Plowback Comparison
______ (KWO-4)	Kevin W. O'Donnell	Equity Return Comparison
______ (KWO-5)	Kevin W. O'Donnell	Capital Structure
______ (KWO-6)	Kevin W. O'Donnell	Qualifications (Originally submitted as Appendix A to testimony)
______ (TH-1)	Tom Herndon	Resumé

The Florida Retail Federation reserves its rights to introduce other exhibits through cross-examination.

3. STATEMENT OF BASIC POSITION:

Tampa Electric Company's requested rate increase of $228.2 million per year in additional base rate revenues is excessive and contrary to the public interest. As explained by various witnesses who are testifying on behalf of the consumers whom Tampa Electric is asking to bear this unreasonable burden, the Commission should grant the Company at most an increase of $39.7 million per year. Any greater increase would result in Tampa Electric's rates being unfair, unjust, unreasonable, and contrary to the public interest.

Tampa Electric's requested rate of return on common equity, an after-tax return of 12.0%, is unfair, unreasonable, and excessive in that it is not representative of current capital market conditions, and far greater than is justified by the minimal risks that the Company faces. Indeed, according to a report by the Commission, in 2007 the Company recovered 57% of its total revenues through cost recovery clauses and 64% of its annual expenses through cost recovery clauses, which demonstrates the very low risks that Tampa Electric faces as a monopoly provider of a necessity. Moreover, in today's economy when many individuals and businesses are struggling to keep their homes and pay their utility bills, Tampa Electric's request is excessive and if granted, would harm Floridians and Florida's economy.

The Company's requested capital structure is not appropriate as a basis for setting the Company's rates, because it is not representative of the manner in which Tampa Electric finances its rate base investment: the ultimate source of a substantial amount of the Company's claimed common equity investment is long-term debt financing. The Commission should disallow the Company's attempt to leverage low-cost debt financing obtained by Tampa Electric's parent company, TECO Energy, Inc., into alleged high-cost equity financing, with the burden falling on the backs of the Company's captive customers.

Tampa Electric has also requested numerous expense items that should be disallowed in part or in total. Those expense items are identified in the FRF's positions on specific issues.

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS:

TEST PERIOD

Issue 1: Is TECO's projected test period of the 12 months ending December 31, 2009 appropriate?

FRF Position: No position at this time.

Issue 2: Are TECO's forecasts of Customers, KWH, and KW by Rate Class for the 2009 projected test year appropriate?

FRF Position: No position at this time.

QUALITY OF SERVICE

Issue 3: Is the quality of electric service provided by TECO adequate?

FRF Position: No.

RATE BASE

Issue 4: Has TECO removed all non-utility activities from rate base?

FRF Position: No position at this time.

Issue 5: Is the pro forma adjustment related to the annualization of five simple cycle combustion turbine units to be placed in service in 2009 appropriate?

FRF Position: No. TECO's proposed annualization is not appropriate.

Issue 6: Should an adjustment be made for the credit from CSX for the Big Bend Rail Project?

FRF Position: Yes.

Issue 7: Is the pro forma adjustment related to the annualization of the Big Bend Rail Project to be placed into service in December 2009 appropriate?

FRF Position: No. TECO's proposed annualization is not appropriate because it would require the Company's captive customers to pay an entire year's worth of costs for an asset that will only be in service for one month of the Company's requested 2009 test year.

Issue 8: Should any adjustments be made to TECO's projected level of plant in service?

FRF Position: Yes. Pending the development of additional evidence, the FRF agrees with OPC that jurisdictional Plant in Service should be reduced by $51,969,000 (total Company reduction of $53,958,000). Correspondingly, jurisdictional depreciation and amortization should be reduced by $8,187,000.

Issue 9: Should TECO's requested increase in plant in service for the customer information system be approved?

FRF Position: No. TECO's request should be denied, and corresponding depreciation expense should be reduced by $558,000 for the test year.

Issue 10: Is TECO's requested level of Plant in Service in the amount of $5,483,474,000 for the 2009 projected test year appropriate?

FRF Position: No. The amount should reflect the adjustments recommended by OPC's witnesses in this case.

Issue 11: Is TECO's requested level of accumulated depreciation in the amount of $1,934,489,000 for the 2009 projected test year appropriate?

FRF Position: No. The amount should reflect the adjustments recommended by OPC's witnesses in this case.

Issue 12: Have all costs recovered through the Environmental Cost Recovery Clause been removed from rate base for the 2009 projected test year?

FRF Position: No position at this time.

Issue 13: Is TECO's requested level of Construction Work in Progress in the amount of $101,071,000 for the 2009 projected test year appropriate?

FRF Position: No. Agree with OPC.

Issue 14: Is TECO's requested level of Property Held for Future Use in the amount of $37,330,000 for the 2009 projected test year appropriate?

FRF Position: No. Agree with OPC that PHFFU should be decreased by $2,328,354 on a jurisdictional basis.

Issue 15: Should an adjustment be made to TECO's requested deferred dredging cost?

FRF Position: Yes. Agree with OPC that the Company's deferred dredging cost balance of $2,657,000 (jurisdictional) and related dredging operating expense of $1,330,000 should be removed.

Issue 16: Should an adjustment be made to TECO's requested storm damage reserve, annual accrual and target level?

FRF Position: Yes. TECO's requested 400% increase in annual accrual from $4 million to $20 million per year is unnecessary and unreasonable. TECO's accrual should remain at $4 million per year. No increase in the Company's target level for its storm reserve should be allowed.

Issue 17: Should an adjustment be made to prepaid pension expense in TECO's calculation of working capital?

FRF Position: Yes.

Issue 18: Should an adjustment be made to working capital related to Account 143-Other Accounts Receivable?

FRF Position: Yes. Agree with OPC that $10,959,000 should be removed on a jurisdictional basis.

Issue 19: Should an adjustment be made to working capital related to Account 146-Accounts Receivable from Associated Companies?

FRF Position: Yes. Agree with OPC that the entire balance of $6,309,000 in Account 146 should be excluded.

Issue 20: Should an adjustment be made to rate base for unfunded Other Post-retirement Employee Benefit (OPEB) liability?

FRF Position: Yes.

Issue 21: Should an adjustment be made to TECO's coal inventories?

FRF Position: Yes. The cost value of the Company's fuel stock should be reduced by 10% to reflect reductions in coal, oil, and other fuel prices that have likely occurred since the Company filed its case.

Issue 22: Should an adjustment be made to TECO's residual oil inventories?

FRF Position: Yes. The cost value of the Company's fuel stock should be reduced by 10% to reflect reductions in coal, oil, and other fuel prices that have likely occurred since the Company filed its case.

Issue 23: Should an adjustment be made to TECO's distillate oil inventories?

FRF Position: Yes. The cost value of the Company's fuel stock should be reduced by 10% to reflect reductions in coal, oil, and other fuel prices that have likely occurred since the Company filed its case.

Issue 24: Should an adjustment be made to TECO's natural gas and propane inventories?

FRF Position: Yes. The cost value of the Company's fuel stock should be reduced by 10% to reflect reductions in coal, oil, and other fuel prices that have likely occurred since the Company filed its case.

Issue 25: Has TECO properly reflected the net overrecoveries or net underrecoveries of fuel and conservation expenses in its calculation of working capital?

FRF Position: No position at this time.

Issue 26: Should unamortized rate case expense be included in Working Capital?

FRF Position: Agree with OPC.

Issue 27: Is TECO's requested level of Working Capital in the amount of ($30,586,000) for the 2009 projected test year appropriate?

FRF Position: No. Working Capital should reflect the adjustments recommended by the Citizens in this proceeding.

Issue 28: Is TECO's requested rate base in the amount of $3,656,800,000 for the 2009 projected test year appropriate?

FRF Position: No. The Company's rate base should reflect the adjustments recommended by the Citizens in this proceeding.

COST OF CAPITAL

Issue 29: What is the appropriate amount of accumulated deferred taxes to include in the capital structure for the 2009 projected test year?

FRF Position: Agree with OPC.

Issue 30: What is the appropriate amount and cost rate of the unamortized investment tax credits to include in the capital structure for the 2009 projected test year?

FRF Position: Agree with OPC.

Issue 31: What is the appropriate amount and cost rate for short-term debt for the 2009 projected test year?

FRF Position: Agree with OPC.

Issue 32: Should TECO's requested pro forma adjustment to equity to offset off-balance sheet purchased power obligations be approved?

FRF Position: No.

Issue 33: What is the appropriate amount and cost rate for long-term debt for the 2009 projected test year?

FRF Position: The appropriate amount of Long-Term Debt is $1,624,563,000, and the appropriate cost rate is 6.81%.

Issue 34: What is the appropriate capital structure for the 2009 projected test year?

FRF Position: The appropriate structure for the 2009 test year is 44.43% Long-Term Debt, 44.00% Common Equity, 8.28% Deferred Income Taxes, and other amounts as indicated in Mr. Kevin O'Donnell's testimony and exhibits.

Issue 35: Does TECO's requested return on common equity appropriately consider current economic conditions? [FIPUG Issue]

FRF Position: No. TECO's requested 12.0% after-tax return on common equity is unreasonable, unfair, and unjust, in light of current economic conditions in the U.S. and the world.

Issue 36: Does TECO's requested return on common equity appropriately consider its recovery of funds via the Commission's various cost recovery clauses? [FIPUG Issue]

FRF Position: No. TECO's requested return on common equity is grossly excessive compared to the minimal risks that TECO faces. The risk of TECO recovering its costs is virtually eliminated by the various pass-through clauses, through which TECO recovers approximately 60% of its total revenues and an even greater percentage of its expenses. The only risk that TECO faces with regard to recovering its legitimate, reasonable, prudent fixed costs is the risk of mild weather and the risk of a slow-down in economic activity, and TECO has the opportunity to mitigate even those low risks with general rate cases.

Issue 37: What is the appropriate return on common equity for the 2009 projected test year?

FRF Position: No greater than 9.75%. (O'Donnell, Herndon)

Issue 38: What is the appropriate weighted average cost of capital for the 2009 projected test year?

FRF Position: No greater than 7.52%. (O'Donnell)

NET OPERATING INCOME

Issue 39: Is TECO's projected level of Total Operating Revenues in the amount of $865,359,000 for the 2009 projected test year appropriate?

FRF Position: No. The amount should reflect the adjustments recommended by OPC in this case.

Issue 40: What are the appropriate inflation factors for use in forecasting the test year budget?

FRF Position: No position at this time.

Issue 41: Is TECO's requested level of O&M Expense in the amount of $370,934,000 for the 2009 projected test year appropriate?

FRF Position: No. The amount should reflect the adjustments recommended by OPC in this case.

Issue 42: Has TECO made the appropriate test year adjustments to remove fuel and purchased power revenues and expenses recoverable through the Fuel and Purchased Power Cost Recovery Clause?

FRF Position: No. The amount should reflect the adjustments recommended by OPC in this case.

Issue 43: Has TECO made the appropriate test year adjustments to remove conservation revenues and expenses recoverable through the Conservation Cost Recovery Clause?

FRF Position: No. The amount should reflect the adjustments recommended by OPC in this case.

Issue 44: Has TECO made the appropriate test year adjustments to remove capacity revenues and expenses recoverable through the Capacity Cost Recovery Clause?

FRF Position: No. The amount should reflect the adjustments recommended by OPC in this case.

Issue 45: Has TECO made the appropriate test year adjustments to remove environmental revenues and expenses recoverable through the Environmental Cost Recovery Clause?

FRF Position: No. The amount should reflect the adjustments recommended by OPC in this case.

Issue 46: Should an adjustment be made to advertising expenses for the 2009 projected test year?

FRF Position: Yes.

Issue 47: Has TECO made the appropriate adjustments to remove lobbying expenses from the 2009 projected test year?

FRF Position: No. The amount should reflect the adjustments recommended by OPC in this case.

Issue 48: Should an adjustment be made to TECO's requested level of Salaries and Employee Benefits for the 2009 projected test year?

FRF Position: Yes. Agree with OPC that TECO's Salaries and Employee Benefits for the test year should be reduced by $3,568,109 on a jurisdictional basis.

Issue 49: Should an adjustment be made to Other Post Employment Benefits Expense for the 2009 projected test year?

FRF Position: Yes. Agree with OPC as to the appropriate amounts of adjustments.

Issue 50: Should operating expense be reduced to take into account budgeted positions that will be vacant?

FRF Position: Yes. Agree with OPC.

Issue 51: Should operating expense be reduced to take into account TECO's initiatives to improve service reliability?

FRF Position: No position at this time.

Issue 52: Should operating expense be reduced to remove the cost of TECO's incentive compensation plan?

FRF Position: Yes. Agree with OPC that TECO's incentive compensation plan is not structured to ensure that it benefits TECO's captive customers, and accordingly, the entire $11,233,952 (jurisdictional) should be removed.

Issue 53: Should operating expense be reduced to take into account new generating units added that are maintained under contractual service agreements?

FRF Position: Yes.

Issue 54: Should an adjustment be made to TECO's generation maintenance expense?

FRF Position: Yes. The Company's generation maintenance expense should be reduced by $8,173,000 on a jurisdictional basis.

<u>Issue 55</u>: Should an adjustment be made to TECO's substation preventive maintenance expense?

<u>FRF Position</u>: Yes. The Company's substation preventive maintenance expense should be reduced by $973,201 on a jurisdictional basis.

<u>Issue 56</u>: Should an adjustment be made to TECO's request for Dredging expense?

<u>FRF Position</u>: Yes. The Company's operating expenses should be reduced by $1,330,000 (jurisdictional).

<u>Issue 57</u>: Should an adjustment be made to TECO's Economic Development Expense?

<u>FRF Position</u>: Yes.

<u>Issue 58</u>: Should an adjustment be made to Pension Expense for the 2009 projected test year?

<u>FRF Position</u>: Yes.

<u>Issue 59</u>: Should an adjustment be made to the accrual for property damage for the 2009 projected test year?

<u>FRF Position</u>: Yes.

<u>Issue 60</u>: Should an adjustment be made to the accrual for the Injuries & Damages reserve for the 2009 projected test year?

<u>FRF Position</u>: Yes.

<u>Issue 61</u>: Should an adjustment be made to remove TECO's requested Director's & Officer's Liability Insurance expense?

<u>FRF Position</u>: Yes. Agree with OPC that this expense is not reasonable or prudent in that it does not provide benefit to TECO's captive customers, but rather only to TECO's shareholders.

Issue 62: Should an adjustment be made to reduce meter expense (Account 586) and meter reading expense (Account 902)?

FRF Position: Yes.

Issue 63: What is the appropriate amount and amortization period for TECO's rate case expense for the 2009 projected test year?

FRF Position: The appropriate amount of rate case expense is $1,905,000, which reflects the effects of removing the costs for J.M. Cannell and Susan Abbott, and the difference between the Huron Consulting contract amount of $468,000 and the $1.31 million requested by TECO. Especially in light of the relative infrequency of TECO's general rate cases, the appropriate amortization period is five years.

Issue 64: Should an adjustment be made to Bad Debt Expense for the 2009 projected test year?

FRF Position: Yes. The Company's Bad Debt Expense should be reduced as recommended by OPC's witnesses.

Issue 65: Should an adjustment be made to Office supplies and expenses for the 2009 projected test year?

FRF Position: Yes. The Company's requested amount should be reduced by $2,295,000 on a jurisdictional basis.

Issue 66: Should an adjustment be made to reduce TECO's tree trimming expense for the 2009 projected test year?

FRF Position: Yes. The Company's requested amount should be reduced by $3,988,568 on a jurisdictional basis.

Issue 67: Should an adjustment be made to reduce TECO's pole inspection expense for the 2009 projected test year?

FRF Position: Yes. The Company's requested amount should be reduced by $236,013 on a jurisdictional basis.

Issue 68: Should an adjustment be made to reduce TECO's transmission inspection expense for the 2009 projected test year?

FRF Position: Yes. The Company's requested amount should be reduced by $268,233 on a jurisdictional basis.

Issue 69: Should an adjustment be made to O&M expenses to normalize the number of outages TECO has included in the 2009 projected test year?

FRF Position: Yes.

Issue 70: Is the pro forma adjustment related to amortization of CIS costs associated with required rate case modifications appropriate?

FRF Position: No. The Company's proposed CIS upgrade cost of $2,445,000 should be denied and depreciation expense decreased by $558,000.

Issue 71: Is the pro forma adjustment related to the annualization of five simple cycle combustion turbine units to be placed in service in 2009 appropriate?

FRF Position: No. TECO's proposed annualization is not appropriate because it would require the Company's captive customers to pay an entire year's worth of costs for assets that will be used and useful for only parts of the Company's requested 2009 test year.

Issue 72: Is the pro forma adjustment related to the annualization of rail facilities to be placed in service in 2009 appropriate?

FRF Position: No. TECO's proposed annualization is not appropriate because it would require the Company's captive customers to pay an entire year's worth of costs for an asset that will only be in service for one month of the Company's requested 2009 test year.

Issue 73: Should any adjustments be made to the 2009 test year depreciation expense to reflect the depreciation rates approved by the Commission in Docket No. 070284-EI?

FRF Position: Yes.

Issue 74: What is the appropriate amount of Depreciation Expense for the 2009 projected test year?

FRF Position: No position at this time with regards to the specific amount. The appropriate amount of Depreciation Expense must reflect the adjustments recommended by OPC's witnesses in this proceeding.

Issue 75: Should an adjustment be made to Taxes Other Than Income Taxes for the 2009 projected test year?

FRF Position: Yes.

Issue 76: Is it appropriate to make a parent debt adjustment as per Rule 25-14.004, Florida Administrative Code?

FRF Position: Yes.

Issue 77: Should an adjustment be made to Income Tax expense for the 2009 projected test year?

FRF Position: Yes

Issue 78: Is TECO's projected Net Operating Income in the amount of $182,970,000 for the 2009 projected test year appropriate?

FRF Position: No. The Company's projected Net Operating Income should be adjusted to reflect all applicable adjustments recommended by OPC's witnesses in this proceeding.

REVENUE REQUIREMENTS

Issue 79: What is the appropriate 2009 projected test year net operating income multiplier for TECO?

FRF Position: No position at this time.

Issue 80: Is TECO's requested annual operating revenue increase of $228,167,000 for the 2009 projected test year appropriate?

FRF Position: No. Considering the fair, just, and reasonable rate of return on equity, capital structure, and expenses for the Company, the Commission should not allow TECO to increase its base rates by any more than $39.7 million. (The FRF will provide a final recommended value after the hearing.)

RATE ISSUES

Issue 81: Did the utility correctly calculate the projected revenues at existing rates?

FRF Position: No position at this time.

Issue 82: Is TECO's proposed Jurisdictional Separation Study appropriate?

FRF Position: No position at this time.

Issue 83: What is the appropriate retail Cost of Service methodology to be used to allocate base rate and cost recovery costs to rate classes?

FRF Position: No position.

Issue 84: Should the investment and expenses related to the Polk Unit 1 gasifier and the environmental costs of the Big Bend Unit scrubber be classified as energy or demand?

FRF Position: No position.

Issue 85: Is TECO's calculation of unbilled revenues correct?

FRF Position: No position at this time.

Issue 86: What is the appropriate allocation of any change in revenue requirements?

FRF Position: Any increase or decrease in base rate revenues should be allocated across-the-board in proportion to base rate revenues.

Issue 87: Should the interruptible rate schedules IS-1, IS-3, IST-1, IST-3, SBI-1 and SBI-3 be eliminated? If so, how should rates for customers currently taking service on interruptible rate schedules be designed, including whether a credit approach is appropriate, and if so, how such an approach should be implemented?

FRF Position: These rate schedules should not be eliminated. No position on design of the rates.

Issue 88: Should the GSD, GSLD and IS rate schedules be combined under a single GSD rate schedule?

FRF Position: No position.

Issue 89: Is the change in the breakpoint from 49 kW to 9,000 kWh between the GS and GSD rate schedules appropriate?

FRF Position: No position.

Issue 90: What is the appropriate meter level discount to be applied for billing, and to what billing charges should that discount be applied?

FRF Position: No position at this time.

Issue 91: Should an inverted base energy rate be approved for the RS rate schedule?

FRF Position: No position.

Issue 92: Should the existing RST rate schedule be eliminated and the customers currently taking service under the schedule be transferred to service under the RS or RSVP rate schedule?

FRF Position: No position.

Issue 93: Should TECO's proposed single lighting schedule, and associated charges, terms, and conditions be approved?

FRF Position: No position.

Issue 94: Are the two new convenience service connection options and associated connection charges appropriate?

FRF Position: No position.

Issue 95: Are TECO's proposed Reconnect after Disconnect charges at the point of metering and at a point distant from the meter appropriate?

FRF Position: No position.

Issue 96: Is the proposed new meter tampering charge appropriate?

FRF Position: No position.

Issue 97: Is the proposed new $5 minimum late payment charge appropriate?

FRF Position: No position.

Issue 98: What are the appropriate service charges (initial connection, normal reconnect subsequent subscriber, field credit visit, return check)?

FRF Position: No position at this time.

Issue 99: What is the appropriate temporary service charge?

FRF Position: No position.

Issue 100: What are the appropriate customer charges?

FRF Position: The appropriate customer charges are the existing charges, adjusted proportionally to any increase or decrease in base rate revenues approved by the Commission in this proceeding.

Issue 101: What are the appropriate demand charges?

FRF Position: The appropriate demand charges are the existing charges, adjusted proportionally to any increase or decrease in base rate revenues approved by the Commission in this proceeding.

Issue 102: What are the appropriate Standby Service charges?

FRF Position: The appropriate Standby Service charges are the existing charges, adjusted proportionally to any increase or decrease in base rate revenues approved by the Commission in this proceeding.

Issue 103: Is TECO's proposed change in the application of the transformer ownership discount appropriate?

FRF Position: No position at this time.

Issue 104: What is the appropriate transformer ownership discount to be applied for billing?

FRF Position: No position at this time.

Issue 105: What are the appropriate emergency relay service charges?

FRF Position: No position at this time.

Issue 106: What are the appropriate contributions in aid for time of use rate customers opting to make a lump sum payment for a time-of-use meter in lieu of a higher time-of-use customer charge?

FRF Position: No position.

Issue 107: What are the appropriate energy charges?

FRF Position: The appropriate energy charges are the existing charges, adjusted proportionally to any increase or decrease in base rate revenues approved by the Commission in this proceeding.

Issue 108: What changes in allocation and rate design should be made to TECO's rates established in Docket Nos. 080001-EI, 080002-EG, and 080007-EI to recognize the decisions in various cost of service rate design issues in this docket?

FRF Position: No position at this time.

Issue 109: What are the appropriate monthly rental factor and termination factors to be approved for the Facilities Rental Agreement, Appendix A?

FRF Position: No position.

Issue 110: Is it appropriate to establish a customer specific rate schedule for county (K-12) public schools in this proceeding?

FRF Position: No position.

Issue 111: What is the appropriate effective date for the rates and charges established in this proceeding?

FRF Position: No position.

OTHER ISSUES

Issue 112: Should TECO's request to establish a Transmission Base Rate Adjustment mechanism be approved?

FRF Position: No. Transmission-related costs are base rate-type costs that should be incorporated into, and recovered through, base rates. Particularly in light of the long time frame required to plan and construct transmission facilities, these costs should be recovered through base rates after all costs are considered in a base rate proceeding.

Issue 113: Should TECO be required to file, within 90 days after the date of the final order in this docket, a description of all entries or adjustments to its annual report, rate of return reports, and books and records which will be required as a result of the Commission's findings in this rate case?

FRF Position: Yes.

Issue 114: Should this docket be closed?

FRF Position: Yes.

5. STIPULATED ISSUES:

None.

6. PENDING MOTIONS:

None.

7. STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:

The FRF has no pending requests for claims for confidentiality.

8. OBJECTIONS TO QUALLIFICATION OF WITNESSES AS AN EXPERT:

The FRF does not intend to challenge the qualifications of any identified witness to offer opinion testimony. However, it is the FRF's position that at least one of the Company's witnesses provides no value to the rate case and accordingly, the costs associated with that witness's testimony should be disallowed for recovery as rate case expense.

9. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which the Florida Retail Federation cannot comply.

Respectfully submitted this 23rd day of December, 2008.

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Retail Federation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail this 23rd day of December, 2008, to the following:

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