

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental cost recovery clause.

DOCKET NO. 090007-EI

FILED: OCTOBER 1, 2009

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STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-09-0138-PCO-EI, filed March 6, 2009, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff is not sponsoring any witnesses.

b. All Known Exhibits

Staff has no direct exhibits.

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 ISSUES

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period ending December 31, 2008?

POSITION: No position at this time.

ISSUE 2: What are the estimated environmental cost recovery true-up amounts for the period January 2009 through December 2009?

POSITION: No position at this time.

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2010 through December 2010?

POSITION: No position at this time.

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ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2010 through December 2010?

POSITION: No position at this time.

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2010 through December 2010?

POSITION: The depreciation rates used to calculate the depreciation expense should be the rates that are in effect during the period the allowed capital investment is in service.

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2010 through December 2010?

POSITION: No position at this time.

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2010 through December 2010 for each rate group?

POSITION: The factors are a mathematical calculation based on the resolution of company-specific issues. Staff asks for administrative authority to review the calculations reflecting the Commission's vote and include the resulting factors in the Order.

ISSUE 8: What should be the effective date of the new environmental cost recovery factors for billing purposes?

POSITION: The factors should be effective beginning with the specified environmental cost recovery cycle and thereafter for the period January 2010 through December 2010. Billing cycles may start before January 1, 2010 and the last cycle may be read after December 31, 2010, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

COMPANY-SPECIFIC ISSUES

Florida Power & Light (FPL)

ISSUE 9A: Should the Commission grant FPL's Petition for Approval of Plant Riviera Manatee Temporary Heating System (MTHS) Project for environmental cost recovery?

POSITION: No position at this time.

ISSUE 9B: How should the costs associated with the MTHS – Riviera Project be allocated to the rate classes?

POSITION: No position at this time.

ISSUE 9C: Should FPL be allowed to recover the costs associated with its proposed Manatee Temporary Heating System (MTHS) – Cape Canaveral Plant Project?

POSITION: No position at this time.

ISSUE 9D: How should the costs associated with the MTHS – Cape Canaveral Project be allocated to the rate classes?

POSITION: No position at this time.

ISSUE 9E: Should FPL be allowed to recover the costs associated with its proposed Turkey Point Cooling Canal Monitoring Plan (TP-CCMP) Project through the ECRC?

POSITION: No position at this time.

ISSUE 9F: How should the costs associated with the TP-CCMP Project be allocated to the rate classes?

POSITION: No position at this time.

ISSUE 9G: Should FPL be allowed to recover the costs associated with its proposed NESHAP Information Collection Request Project through the ECRC?

POSITION: No position at this time.

ISSUE 9H: How should the costs associated with the NESHAP Information Collection Request Project be allocated to the rate classes?

POSITION: No position at this time.

ISSUE 9I: What are the reasonable environmental cost recovery amounts for FPL's three Next Generation Solar Energy Centers for the final true-up period January 2008 through December 2008?

POSITION: No position at this time.

ISSUE 9J: Should the Commission approve FPL's updated Clean Air Interstate Rule, Clean Air Mercury Rule and Clean Air Visibility Rule Compliance Projects that are reflected in FPL's April 1, 2009, supplemental filing as reasonable and prudent?

POSITION: No position at this time.

ISSUE 9K: Should FPL be allowed to recover the increased costs associated with the St. Lucie Cooling Water System Inspection and Maintenance Project?

POSITION: No position at this time.

Progress Energy Florida (PEF)

ISSUE 10A: Should the Commission grant PEF's petition for approval of cost recovery for the Total Maximum Daily Loads Hg Emissions (TMDLs-Hg emission) Program?

POSITION: No position at this time.

ISSUE 10B: How should the costs associated with the TMDLs-Hg Emission Program be allocated to the rate classes?

POSITION: No position at this time.

ISSUE 10C: Should the Commission approve PEF's 2009 Review of Integrated Clean Air Compliance Plan as reasonable and prudent?

POSITION: No position at this time.

ISSUE 10D: How should the capital and O&M costs associated with Project 7 be allocated to the rate classes?

POSITION: No position at this time.

ISSUE 10E: Has the Company used the correct amount of the True-Up Provision established by Order No. PSC-08-0775-FOF-EI in its Actual/Estimated True-up calculations for the period January 2009 through December 2009?

POSITION: No position at this time.

Gulf Power Company (Gulf)

ISSUE 11A: Should Gulf be allowed to recover the costs associated with its proposed Plant Smith Reclaimed Water Project?

POSITION: No position at this time.

ISSUE 11B: How should the costs associated with the Plant Smith Reclaimed Water Project be allocated to the rate classes?

POSITION: No position at this time.

ISSUE 11C: Should Gulf be allowed to recover the costs associated with its proposed Plant Crist Unit 6 Precipitator Project?

POSITION: No position at this time.

ISSUE 11D: How should the costs associated with the Plant Crist Unit 6 Precipitator Project be allocated to the rate classes?

POSITION: No position at this time.

ISSUE 11E: Should the Commission approve Gulf's Environmental Compliance Program Update for the Clean Air Interstate Rule and Clean Air Visibility Rule as reasonable and prudent?

POSITION: No position at this time.

ISSUE 11F: Should Gulf be allowed to recover the costs associated with its newly proposed Maximum Achievable Control Technology Information Collection Request (MACT-ICR) Project?

POSITION: No position at this time.

ISSUE 11G: How should the costs associated with the MACT-ICR Project be allocated to the rate classes?

POSITION: No position at this time.

e. Stipulated Issues

Staff is not aware of any stipulated issues at this time.

f. Pending Motions

Staff has no pending motions at this time.

g. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests at this time.

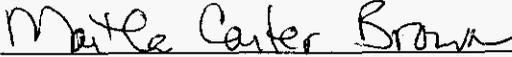
h. Objections to Witness Qualifications as an Expert

Staff has no objections to any witness' qualifications as an expert in this proceeding.

i. Compliance with Order No. PSC-09-0138-PCO-EI

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

Respectfully submitted this 1st day of October, 2009.



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of STAFF'S PREHEARING STATEMENT was furnished to the following, by electronic and U.S. Mail, on this 1st day of October, 2009.

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