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090001-EI

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**Subject:** Docket 090001-EI - PCS Phosphate Prehearing Statement  
**Attachments:** PCS Prehearing Statement.doc

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- b. Docket No. 090001-EI, In Re: Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor
- c. Filed on behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs
- d. Total Pages = 14
- e. PCS Phosphate's Prehearing Statement

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**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**In Re: Fuel and Purchased Power )  
Cost Recovery Clause with Generating )  
Performance Incentive Factor )**

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**Docket No. 090001-EI  
Filed: October 6, 2008**

**PREHEARING STATEMENT OF  
WHITE SPRINGS AGRICULTURAL CHEMICALS, INC.  
D/B/A PCS PHOSPHATE – WHITE SPRINGS**

Pursuant to the Florida Public Service Commission's March 11, 2009 *Order Establishing Procedure*, Order No. PSC-08-0148-PCO-EI ("*Procedural Order*"), White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs ("PCS Phosphate"), through its undersigned attorneys, files its Prehearing Statement.

**A. APPEARANCES**

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**B. WITNESSES**

PCS Phosphate does not plan to call any witnesses at this time:

**C. EXHIBITS**

PCS Phosphate does not plan to offer any exhibits at this time:

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**D. STATEMENT OF BASIC POSITION**

At this time, PCS Phosphate generally accepts and adopts the positions taken by the Florida Office of Public Counsel ("OPC") with respect to the fuel costs sought to be recovered by Progress Energy Florida ("Progress").

**E. STATEMENT ON SPECIFIC ISSUES**

With respect to the various issues presented in this proceeding, PCS Phosphate takes no position regarding the resolution of the issues with respect to any utility other than Progress. PCS Phosphate takes the following positions on the specific issues presented below as they pertain to Progress:

**ISSUE 1A:** Should the Commission approve as prudent, PEF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in PEF's April 2009 and August 2009 hedging reports?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 1B:** Should the Commission approve PEF's 2010 Risk Management Plan?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

**Florida Power & Light Company**

**ISSUE 2A:** Should the Commission approve as prudent, FPL's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in FPL's April 2009 and August 2009 hedging reports?

**POSITION:** No position.

**ISSUE 2B:** Should the Commission approve FPL's 2010 Risk Management Plan?

**POSITION:** No position.

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**ISSUE 2C:** With respect to the February 26, 2008 outages, should FPL or its customers be responsible for replacement power costs associated with the outages?

**POSITION:** No position.

#### **Florida Public Utilities Company**

**ISSUE 3A:** Has FPUC pursued all reasonable avenues to protect its ratepayers from mid-course increases in fuel and demand charges from JEA in 2009?

**POSITION:** No position.

**ISSUE 3B:** Should the Commission approve FPUC's proposal to use a portion of storm hardening revenues to mitigate increases to customers in the Northwest Division?

**POSITION:** No position.

#### **Gulf Power Company**

**ISSUE 4A:** Should the Commission approve as prudent, GULF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in GULF's April 2009 and August 2009 hedging reports?

**POSITION:** No position.

**ISSUE 4B:** Should the Commission approve GULF's 2010 Risk Management Plan?

**POSITION:** No position.

**ISSUE 4C:** Should the Commission approve GULF's proposal to include the costs associated with construction and operation of the Perdido Landfill Gas to Energy Facility in the fuel clause?

**POSITION:** No position.

#### **Tampa Electric Company**

**ISSUE 5A:** Should the Commission approve as prudent, TECO's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in TECO's April 2009 and August 2009 hedging reports?

**POSITION:** No position.

**ISSUE 5B:** Should the Commission approve TECO's 2010 Risk Management Plan?

**POSITION:** No position.

#### **GENERIC FUEL ADJUSTMENT ISSUES**

**ISSUE 6:** What are the appropriate actual benchmark levels for calendar year 2009 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

**POSITION:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 7:** What are the appropriate estimated benchmark levels for calendar year 2010 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

**POSITION:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 8:** What are the appropriate fuel adjustment true-up amounts for the period January 2008 through December 2008?

**POSITION:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 9:** What are the appropriate fuel adjustment true-up amounts for the period January 2009 through December 2009?

**POSITION:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 10:** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2010 to December 2010?

**POSITION:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 11:** What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2010 through December 2010?

**POSITION:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 12:** What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2010 through December 2010?

**POSITION:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 13:** What are the appropriate levelized fuel cost recovery factors for the period January 2010 through December 2010?

**POSITION:** No position at this time.

**ISSUE 14:** What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

**POSITION:** No position at this time.

**ISSUE 15:** What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 16:** What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

**POSITION:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

#### **COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES**

No PEF-specific issues have been identified at this time.

### **GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES**

**ISSUE 21:** What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2008 through December 2008 for each investor-owned electric utility subject to the GPIF?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 22:** What should the GPIF targets/ranges be for the period January 2010 through December 2010 for each investor-owned electric utility subject to the GPIF?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

### **COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES**

#### **Progress Energy Florida, Inc.**

**ISSUE 23A:** Has PEF included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 090009-EI?

**POSITION:** No position at this time.

#### **Florida Power & Light Company**

**ISSUE 24A:** Has FPL included in the capacity cost recovery clause, the nuclear cost recovery amount ordered by the Commission in Docket No. 090009-EI?

**POSITION:** No position at this time.

### **GENERIC CAPACITY COST RECOVERY FACTOR ISSUES**

**ISSUE 27:** What are the appropriate capacity cost recovery true-up amounts for the period January 2008 through December 2008?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 28:** What are the appropriate capacity cost recovery true-up amounts for the period January 2009 through December 2009?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 30:** What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2010 through December 2010?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 31:** What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2010 through December 2010?

**POSITION:** PCS Phosphate agrees with and adopts the position of the OPC.

**ISSUE 32:** What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2010 through December 2010?

**POSITION:** No position at this time.

**ISSUE 33:** What are the appropriate capacity cost recovery factors for the period January 2010 through December 2010?

**POSITION:** No position at this time.

**F. STIPULATED ISSUES**

PCS Phosphate is not a party to any stipulated issues.

**G. PENDING MOTIONS**

None.

**H. PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY**

None.

**I. OBJECTIONS TO QUALIFICATIONS OF WITNESS AS EXPERT**

None at this time.



**J. REQUIREMENTS OF ORDER ESTABLISHING PROCEDURE**

There are no requirements of the *Procedural Order* with which PCS Phosphate cannot comply.

Respectfully submitted the 6<sup>th</sup> day of October, 2009.

BRICKFIELD, BURCHETTE, RITTS & STONE, P.C.

s/ James W. Brew

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*d/b/a/ PCS Phosphate – White Springs*

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of PCS Phosphate's Prehearing Statement has been served by electronic and/or U. S. mail on this 6<sup>th</sup> day of October, 2009:

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