

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy conservation cost recovery clause. | DOCKET NO. 090002-EG

DATED: OCTOBER 14, 2009

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STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-09-0184-PCO-EG, filed March 27, 2009, the Staff of 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 final conservation cost recovery true-up amounts for the period January 2008 through December 2008?

**POSITION:**

Florida Power & Light (FPL)	\$4,994,170	Underrecovery
Florida Public Utilities (FPUC)	\$26,890	Underrecovery
Gulf Power Company (GPC)	\$2,911,666	Overrecovery
Progress Energy Florida (PEF)	\$3,276,149	Overrecovery
Tampa Electric Company (TECO)	\$389,627	Overrecovery

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**ISSUE 2:** What are the total conservation cost recovery amounts to be collected during the period January 2010 through December 2010?

**POSITION:**

Florida Power & Light (FPL)	\$179,713,960
Florida Public Utilities (FPUC)	\$591,724
Gulf Power Company (GPC)	\$11,525,684
Progress Energy Florida (PEF)	\$86,501,449
Tampa Electric Company (TECO)	\$43,816,518

**ISSUE 3:** What are the conservation cost recovery factors for the period January 2010 through December 2010?

**POSITION:**

<b>FPL</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	RS1/RST1	0.188 cents/Kwh
	GS1/GST1	0.186 cents/Kwh
	GSD1/GSDT1/HLTF (21-499kW)	0.170 cents/Kwh
	OS2	0.191 cents/Kwh
	GSLD1/GSLDT1/CS1/CST1/HLTF (500-1,999 kW)	0.166 cents/Kwh
	GSLD2/GSLDT2/CS2/CST2/HLTF (2,000+kW)	0.155 cents/Kwh
	GSLD3/GSLDT3/CS3/CST3	0.142 cents/Kwh
	ISST1D	0.143 cents/Kwh
	ISST1T	0.130 cents/Kwh
	SST1T	0.130 cents/Kwh
	SST1D1/SST1D2/SST1D3	0.143 cents/Kwh
	CILC D/CILC G	0.152 cents/Kwh
	CILC T	0.141 cents/Kwh
	MET	0.180 cents/Kwh
	OL1/SL1/PL1	0.093 cents/Kwh
	SL2, GSCU1	0.146 cents/Kwh

<b>FPUC</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	(Consolidated)	0.080 cents/Kwh

<b>GULF</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	RS, RSVP	0.108 cents/Kwh
	GS	0.105 cents/Kwh
	GSD, GSDT, GSTOU	0.100 cents/Kwh
	LP, LPT	0.095 cents/Kwh
	PX, PXT, RTP, SBS	0.091 cents/Kwh
	OSI, OSII	0.080 cents/Kwh
	OSIII	0.094 cents/Kwh

<b>PEF</b>	<b>Rate Class</b>	<b>ECCR Factor*</b>
	Residential	0.270 cents/Kwh
	General Svc. Non-Demand	0.223 cents/Kwh
	@ Primary Voltage	0.221 cents/Kwh
	@ Transmission Voltage	0.219 cents/Kwh
	General Svc. 100% Load Factor	0.188 cents/Kwh
	General Svc. Demand	0.210 cents/Kwh
	@ Primary Voltage	0.208 cents/Kwh
	@ Transmission Voltage	0.206 cents/Kwh
	Curtable	0.194 cents/Kwh
	@ Primary Voltage	0.192 cents/Kwh
	@ Transmission Voltage	0.190 cents/Kwh
	Interruptible	0.186 cents/Kwh
	@ Primary Voltage	0.184 cents/Kwh
	@ Transmission Voltage	0.182 cents/Kwh
	Lighting	0.124 cents/Kwh

\*The factors are subject to change pending the resolution of certain rate design modifications in PEF's base rate proceeding in Docket No. 090079-EI.

<b>TECO</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	Residential	0.254 cents/Kwh
	General Svc., TS	0.249 cents/Kwh
	General Svc. Demand Optional - Secondary	0.179 cents/Kwh
	@ Primary Voltage	0.177 cents/Kwh
	@ Subtransmission Voltage	0.175 cents/Kwh
	Lighting	0.113 cents/Kwh
	General Svc. Demand - Secondary	0.88 cents/Kwh
	@ Primary Voltage	0.87 cents/Kwh
	@ Subtransmission Voltage	0.86 cents/Kwh
	Standby Firm - Secondary	0.88 cents/Kwh

<b>TECO</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	@ Primary Voltage	0.87 cents/Kwh
	@ Subtransmission Voltage	0.86 cents/Kwh
	Interruptible – Secondary	0.79 cents/Kwh
	@ Primary Voltage	0.78 cents/Kwh
	@ Subtransmission Voltage	0.77 cents/Kwh

**ISSUE 4:** 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 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.

**ISSUE 5:** Should FPL's and PEF's conservation program costs be recovered on a demand basis? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

#### **Company Specific Conservation Cost Recovery Issues**

##### **Tampa Electric Company**

**ISSUE 6:** What is the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders for Tampa Electric Company for the period January 2010 through December 2010?

**POSITION:** In accordance with the program requirement and methodology established by 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 \$9.72 per KW for the period January 2010 through December 2010.

**ISSUE 7:** What are the residential Price Responsive Load Management (RSVP-1) rate tiers for Tampa Electric Company for the period January 2010 through December 2010?

**POSITION:** In accordance with the program requirement and methodology established by Order No. PSC-07-0740-TRF-EG, issued September 17, 2007, in Docket No. 070056-EG, the rate tiers for RSVP-1 will be as follows:

Rate Tier	Cents/kWh
P4	29.254
P3	3.705
P2	(0.406)
P1	(0.573)

Progress Energy Florida, Inc.

**ISSUE 8:** What is the Interruptible Demand Credit for PEF for the period January 2010 through December 2010? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

**ISSUE 9:** Should the Interruptible Demand Credit be load factor adjusted? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

**ISSUE 10:** Should the value of interruptible power be reflected in the credits applicable to PEF stand-by customers? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

**ISSUE 11:** Should PEF's IS credits be locked in for at least 3 years? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

Florida Power & Light Company

**ISSUE 12:** Has FPL appropriately reflected the cost of its CILC program? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

**ISSUE 13:** What is the appropriate value for FPL's Commercial Industrial Demand Reduction Rider (CDR)? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

**ISSUE 14:** Should the value of interruptible power be reflected in the credits applicable to FPL's stand-by customers? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

**ISSUE 15:** Should FPL's CDR credits be locked in for at least 3 years? (FIPUG ISSUE)

**POSITION:** No position pending evidence adduced at the hearing.

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 Nos. PSC-09-0184-PCO-EG

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

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Respectfully submitted this 14<sup>th</sup> day of October, 2009.



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In re: Energy conservation cost recovery  
clause.

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DATED: OCTOBER 14, 2009

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of STAFF'S PREHEARING STATEMENT has been furnished to the following by electronic and U.S. mail this 14<sup>th</sup> day of October, 2009:

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