

**Diamond Williams**

100001-EI

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**Subject:** Office of Public Counsel's Prehearing Statement 100001-EI  
**Attachments:** OPC's Prehearing Statement 100001-EI.(F)docx.pdf

Electronic Filing

a. Person responsible for this electronic filing:

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b. Docket No. 100001-EI

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

c. Document being filed on behalf of Office of Public Counsel

d. There are a total of eleven (11) pages.

e. The document attached for electronic filing is Citizens' Prehearing Statement

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08479 OCT 11 2010  
FPSC-COMMISSION CLEAR

10/11/2010

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Fuel and Purchased Power )  
Cost Recovery Clause with ) DOCKET NO. 100001-EI  
Generating Performance Incentive ) FILED: October 11, 2010  
Factor )  
\_\_\_\_\_ )

**PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL**

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-10-0154-PCO-EI, issued March 18, 2010, submit this Prehearing Statement.

**APPEARANCES:**

PATRICIA A. CHRISTENSEN, Esquire  
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CHARLIE BECK, Esquire  
Deputy Public Counsel  
Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
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On behalf of the Citizens of the State of Florida.

1. **WITNESSES:**

None

2. **EXHIBITS:**

None

3. **STATEMENT OF BASIC POSITION**

None

DOCUMENT NUMBER DATE  
08479 OCT 11 2010  
FPSC-COMMISSION CLERK

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

**COMPANY SPECIFIC FUEL ADJUSTMENT ISSUES**

**Progress Energy Florida, Inc.**

**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 2010 and August 2010 hedging reports?

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

**ISSUE 1B:** Should the Commission approve PEF's 2011 Risk Management Plan?

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

**Florida Power & Light Company**

**ISSUE 1C:** Should the prudence of Progress Energy Florida, Inc.'s replacement power costs related to the extended outage at Crystal River Unit 3 be considered in a separate docket?

**OPC:** Yes.

**ISSUE 1D:** Should Progress Energy Florida, Inc. be permitted to collect through the fuel clause, amounts related to replacement power due to the extended outage at Crystal River Unit 3 prior to the Commission's determination of the prudence of such costs in a separate docket?

**OPC:** No.

**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 2010 and August 2010 hedging reports?

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

**ISSUE 2B:** Should the Commission approve FPL's 2011 Risk Management Plan?

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

**ISSUE 2C:** What are the appropriate projected jurisdictional fuel savings associated with West County Energy Center Unit 3 (“WCEC-3”) for the period January 2011 through December 2011? (This issue would not be required if the Commission were to reject the Stipulation and Settlement that was entered into on August 20, 2010 by FPL and the Office of Public Counsel, the Attorney General of the State of Florida, the Florida Industrial Power Users Group, the Florida Retail Federation, the South Florida Hospital and Healthcare Association, the Federal Executive Agencies, and Associated Industries of Florida in Docket No. 080677-EI (the “Settlement Agreement”).

**OPC:** No position.

**ISSUE 2D:** What are the appropriate projected jurisdictional non-fuel revenue requirements associated with WCEC-3 for the period January 2011 through December 2011? (This issue would not be required if the Commission were to reject the Settlement Agreement).

**OPC:** No position.

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

**ISSUE 3A:** Has the bankruptcy filing of the Jefferson Smurfit Company had any effect on Florida Public Utilities Company’s northeast division fuel factors?

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

#### **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 2010 and August 2010 hedging reports?

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

**ISSUE 4B:** Should the Commission approve GULF’s 2011 Risk Management Plan?

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

**ISSUE 4C:** Should the Commission approve GULF's fuel clause recovery of the projected costs of landfill gas associated with the Perdido Landfill Gas to Energy Facility for the years 2010 and 2011?

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

**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 2010 and August 2010 hedging reports?

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

**ISSUE 5B:** Should the Commission approve TECO's 2011 Risk Management Plan?

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

**GENERIC FUEL ADJUSTMENT ISSUES**

**ISSUE 6:** What are the appropriate actual benchmark levels for calendar year 2010 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

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

**ISSUE 7:** What are the appropriate estimated benchmark levels for calendar year 2011 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

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

**ISSUE 8:** What are the appropriate fuel adjustment true-up amounts for the period January 2009 through December 2009?

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

**ISSUE 9:** What are the appropriate fuel adjustment true-up amounts for the period January 2010 through December 2010?

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

**ISSUE 10:** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2011 to December 2011?

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

**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 2011 through December 2011?

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

**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 2011 through December 2011?

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

**ISSUE 13:** What are the appropriate levelized fuel cost recovery factors for the period January 2011 through December 2011?

**OPC:** 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?

**OPC:** 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?

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

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

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

**COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR (GPIF) ISSUES**

**Progress Energy Florida, Inc.**

No company-specific issues for Progress Energy Florida, Inc. have been identified at this time. If such issues are identified, they shall be numbered 17A, 17B, 17C, and so forth, as appropriate.

**Florida Power & Light Company**

No company-specific issues for Florida Power & Light Company have been identified at this time. If such issues are identified, they shall be numbered 18A, 18B, 18C, and so forth, as appropriate.

**Gulf Power Company**

No company-specific issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 19A, 19B, 19C, and so forth, as appropriate.

**Tampa Electric Company**

No company-specific issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 20A, 20B, 20C, and so forth, as appropriate.

**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 2009 through December 2009 for each investor-owned electric utility subject to the GPIF?

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

**ISSUE 22:** What should the GPIF targets/ranges be for the period January 2011 through December 2011 for each investor-owned electric utility subject to the GPIF?

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

## **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. 100009-EI?

**OPC:** 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. 100009-EI?

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

### **Gulf Power Company**

No company-specific issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 25A, 25B, 25C, and so forth, as appropriate.

### **Tampa Electric Company**

No company-specific issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 26A, 26B, 26C, and so forth, as appropriate.

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

**ISSUE 27:** What are the appropriate capacity cost recovery true-up amounts for the period January 2009 through December 2009?

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

**ISSUE 28:** What are the appropriate capacity cost recovery true-up amounts for the period January 2010 through December 2010?

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



**ISSUE 30:** What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2011 through December 2011?

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

**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 2011 through December 2011?

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

**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 2011 through December 2011?

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

**ISSUE 33:** What are the appropriate capacity cost recovery factors for the period January 2011 through December 2011?

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

5. **STIPULATED ISSUES**

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

6. **PENDING MOTIONS**

OPC has no pending motions at this time.

7. **PENDING CONFIDENTIALITY CLAIMS OR REQUESTS**

OPC has no pending requests for confidentiality at this time.

8. **OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT**

OPC has no objections to any witnesses' qualifications at this time.

9. COMPLIANCE WITH ORDER NO. PSC-09-0142-PCO-EI

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

Dated this 11<sup>th</sup> day of October, 2010.

Respectfully submitted,



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Attorney for the Citizens  
of the State of Florida

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of OPC'S PREHEARING STATEMENT was furnished to the following, by U.S. Mail, on this 11<sup>th</sup> day of October, 2010:

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Respectfully submitted,



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