

Marguerite McLean

100001-EI

From: Cecilia Bradley [Cecilia.Bradley@myfloridalegal.com]
Sent: Monday, October 11, 2010 5:27 PM
To: Filings@psc.state.fl.us
Subject: Docket No. 100001-EI OAG's Prehearing Statement

Attachments: OAG's Prehearing Statement 100001-EI. Final.doc; OAG's Prehearing Statement 100001-EI. Final.pdf



OAG'S OAG'S
STATG STATG

Please note that the wrong file was attached to our earlier filing.
Attached is the correct OAG's Prehearing Statement for filing in Docket No.
100001-EI. Thank you for your consideration of this matter.

(See attached file: OAG's Prehearing Statement 100001-EI. Final.doc)(See attached file:
OAG's Prehearing Statement 100001-EI. Final.pdf)

DOCUMENT NUMBER-DATE

08501 OCT 12 2010

FPSC-COMMISSION CLERK

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)
_____)

ATTORNEY GENERAL'S PREHEARING STATEMENT

Attorney General Bill McCollum, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-10-0154-PCO-EI, issued March 18, 2010, submits this Prehearing Statement.

APPEARANCES:

Cecilia Bradley
Senior Assistant Attorney General
Office of the Attorney General
The Capitol – PL01
Tallahassee, FL 32399-1050

On behalf of Attorney General Bill McCollum.

1. **WITNESSES:**

None. However, we reserve the right to cross examine all witnesses.

2. **EXHIBITS:**

None. However, we reserve the right to use all exhibits filed in this case on cross examination.

3. **STATEMENT OF BASIC POSITION**

None at this time.

4. **STATEMENT OF FACTUAL ISSUES AND POSITIONS**

DOCUMENT NO. DATE

08501 OCT 12 0

FPSC-COMMISSION CLERK

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?

AG: No position at this time.

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

AG: No position at this time.

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?

AG: 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?

AG: 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?

AG: No position at this time.

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

AG: 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").

AG: No position at this time..

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).

AG: No position at this time.

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?

AG: 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?

AG: No position at this time.

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

AG: 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?

AG: 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?

AG: No position at this time.

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

AG: 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?

AG: 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?

AG: No position at this time.

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

AG: No position at this time.

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

AG: 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?

AG: 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?

AG: 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?

AG: No position at this time.

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

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: 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?

AG: No position at this time.

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

AG: No position at this time.

5. **STIPULATED ISSUES**

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

6. **PENDING MOTIONS**

AG has no pending motions at this time.

7. **PENDING CONFIDENTIALITY CLAIMS OR REQUESTS**

AG has no pending requests for confidentiality at this time.

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

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

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

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

Dated this 11th day of October, 2010.

Respectfully submitted,

BILL McCOLLUM
Attorney General

s/ Cecilia Bradley
CECILIA BRADLEY
Senior Assistant Attorney General
Florida Bar No. 0363790

Office of the Attorney General
The Capitol, PL-01
Tallahassee, FL 32399-1050
(850) 414-3300
Fax: (850) 488-4872

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
CERTIFICATE OF SERVICE

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

R. W. Litchfield/J. T. Butler/N. F. Smith
Florida Power & Light Company
700 Universe Blvd.
Juno Beach, FL 33408

Messer Caparello & Self, P. A.
Norman H. Horton, Jr.
P. O. Box 15579
Tallahassee, FL 32317

Florida Industrial Power Users Group
c/o John McWhirter, Jr./Harold McLean
McWhirter Reeves Law Firm
P.O. Box 3350
Tampa, FL 33601-3350

Gulf Power Company
Susan D. Ritenour
One Energy Place
Pensacola, FL 32520-0780

Jeffrey A. Stone, Russell A. Badders, and
Steven Griffin
Beggs & Lane Law Firm
P. O. Box 12950
Pensacola, Florida 32591-2950

Florida Power & Light Company
Bill Walker
215 South Monroe Street, Ste. 810
Tallahassee, FL 32301-1859

Tampa Electric Company
Paula K. Brown
P. O. Box 111
Tampa, FL 33601-0111

Florida Public Utilities Company
G. Bachman/C. Martin/M. Khojasteh
P. O. Box 3395
West Palm Beach, FL 33402-3395

Vicki Gordon Kaufman
Jon C. Moyle, Jr.
Keefe Anchors Gordon & Moyle, PA
118 N Gadsden St
Tallahassee, Florida 32301-1508

Lisa Bennett
Senior Attorney
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Progress Energy Florida, Inc.
Paul Lewis, Jr.
106 East College Avenue, Suite 800
Tallahassee, FL 32301-7740

White Springs Agricultural Chemicals, Inc.
P.O. Box 300
White Springs, FL 32096

James Beasley and Lee Willis, Esquires
Ausley & McMullen Law Firm
P. O. Box 391
Tallahassee, FL 32302

James W. Brew
Brickfield, Burchette, Ritts & Stone, P.C.
1025 Thomas Jefferson St., NW
Eighth Floor, West Tower
Washington, DC 20007-5201
OFFICE OF THE PUBLIC COUNSEL
Patricia a. Christensen
Charlie Beck
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Karin S. Torain
PCS Administration (USA), Inc.
Suite 400
Skokie Boulevard
Northbrook, IL 60062

Progress Energy
John T. Burnett, Esquire
Service Company, LLC
Post Office Box 14042
St. Petersburg, FL 33733-4042

R. Scheffel Wright/John LaVia
c/o Florida Retail Federation
Young Law Firm
225 South Adams Street, Suite 200
Tallahassee, FL 32301

Capt. Al Jungels
Federal Executive Agencies
c/o AFCESA/JACL-ULT
139 Barnes Drive, Suite 1
Tyndall AFB, FL 32403-5319

Capt. Shayla L.
Federal Executive Agencies
c/o AFCESA/JACL-ULT
139 Barnes Drive, Suite 1
Tyndall AFB, FL 32403-5319

Respectfully submitted,

/s/Cecilia Bradley
Cecilia Bradley
Senior Assistant Attorney General