

Diamond Williams

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Sent: Tuesday, October 11, 2011 3:11 PM
To: Filings@psc.state.fl.us
Cc: White, Karen S Civ USAF AFLOA JAACL/ULT
Subject: FEA Prehearing Statement (10001-EI)
Signed By: There are problems with the signature. Click the signature button for details.
Attachments: FEA Prehearing Statement (110001-EI).pdf
a. Person responsible for this electronic filing:

Capt Samuel T. Miller

USAF Utility Law Field Support Center

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b. Docket 110001-EI

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.

c. Document being filed on behalf of FEA

d. There are 10 pages to FEA's Prehearing Statement

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

//Signed//

Samuel T. Miller, Capt, USAF

Staff Attorney

10/11/2011

DOCUMENT NUMBER-DATE

07457 OCT 11 =

FPSC-COMMISSION CLERK

USAF Utility Litigation Field Support Center

10/11/2011

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
clause with generating performance incentive
factor.

DOCKET NO. 110001-EI

DATED: October 11, 2011

FEDERAL EXECUTIVE AGENCIES' PREHEARING STATEMENT

Pursuant to Order No. PSC-11-0383-PCO-EI, filed September 12, 2011, FEA files its Prehearing Statement.

A. APPEARANCES:

Karen S. White
Capt Samuel Miller
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Tyndall AFB, FL 32403
Attorneys for Federal Executive Agencies

B. WITNESSES AND EXHIBITS:

All witnesses listed by other parties in this proceeding. FEA reserves the right to prepare and offer exhibits for cross examination as appropriate.

C. STATEMENT OF BASIC POSITION:

FEA agrees with FIPUG that Progress Energy Florida should not be permitted to recover any environmental costs related to the purchase of replacement power due to the extended outage at Crystal River 3. Expenses related to this outage will be decided in Docket No. 100437-EI.

D. STATEMENT OF ISSUES AND POSITIONS:

I. FUEL 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 2011 and August 2011 hedging reports?

POSITION: No position at this time.

ISSUE 1B: Should the Commission approve PEF's 2012 Risk Management Plan?

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POSITION: No position at this time.

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 2011 and August 2011 hedging reports?

POSITION: No position at this time.

ISSUE 2B: Should the Commission approve FPL's 2012 Risk Management Plan?

POSITION: 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 2012 through December 2012?

POSITION: No position at this time.

ISSUE 2D: Should FPL's proposal to develop time-of-use fuel factors based on seasonally differentiated marginal fuel cost be approved?

POSITION: No position at this time.

Florida Public Utilities Company

ISSUE 3A: Is it appropriate for FPUC to include unbilled fuel revenues in its fuel factor calculations for the Northwest and Northeast Divisions?

POSITION: No position.

ISSUE 3B: Is FPUC's proposed method to allocate demand costs to the rate classes appropriate?

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 2011 and August 2011 hedging reports?

POSITION: No position at this time.

ISSUE 4B: Should the Commission approve Gulf's 2012 Risk Management Plan?

POSITION: No position at this time.

ISSUE 4C: Was Gulf Power Company prudent in commencing and continuing litigation against Coalsales II, LLC for breach of contract?

POSITION: Agree with Staff

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 2011 and August 2011 hedging reports?

POSITION: No position at this time.

ISSUE 5B: Should the Commission approve TECO's 2012 Risk Management Plan?

POSITION: No position at this time.

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 6: What are the appropriate actual benchmark levels for calendar year 2011 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

POSITION: No position at this time.

ISSUE 7: What are the appropriate estimated benchmark levels for calendar year 2012 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

POSITION: No position at this time.

ISSUE 8: What are the appropriate fuel adjustment true-up amounts for the period January 2010 through December 2010?

POSITION: No position at this time.

ISSUE 9: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2011 through December 2011?

POSITION: No position at this time.

ISSUE 10: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2012 to December 2012?

POSITION: No position at this time.

ISSUE 11: What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2012 through December 2012?

POSITION: No position at this time.

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

Progress Energy Florida, Inc.

No company-specific issues for Progress Energy Florida, Inc. have been identified at this time.
Florida Power & Light Company

No company-specific issues for Florida Power & Light Company have been identified at this time.

Gulf Power Company

No company-specific issues for Gulf Power Company have been identified at this time.

Tampa Electric Company

ISSUE 15A: Should Tampa Electric's GPIF targets and ranges for 2011 be re-established, based on the corrected revised testimony and exhibit of Tampa Electric's witness Brian Buckley filed in this docket on April 11, 2011?

POSITION: Agree with Staff.

GENERIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

ISSUE 16: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2010 through December 2010 for each investor-owned electric utility subject to the GPIF?

POSITION: No position at this time.

ISSUE 17: What should the GPIF targets/ranges be for the period January 2012 through December 2012 for each investor-owned electric utility subject to the GPIF?

POSITION: No position at this time.

FUEL FACTOR CALCULATION ISSUES

ISSUE 18: 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 2012 through December 2012?

POSITION: No position at this time.

ISSUE 19: 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 2012 through December 2012?

POSITION: No position at this time.

ISSUE 20: What are the appropriate levelized fuel cost recovery factors for the period January 2012 through December 2012?

POSITION: No position at this time.

ISSUE 21: 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 22: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

POSITION: No position at this time.

II. CAPACITY ISSUES

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. 110009-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. 110009-EI?

POSITION: No position at this time.

ISSUE 24B: What are the appropriate projected jurisdictional non-fuel revenue requirements associated with WCEC-3 for the period January 2012 through December 2012?

POSITION: No position at this time.

ISSUE 24C: What amount should be included in the capacity cost recovery clause for recovery of jurisdictional non-fuel revenue requirements associated with West County Energy Center Unit 3 (WCEC-3) for the period January 2012 through December 2012?

POSITION: No position at this time.

Gulf Power Company

No company-specific issues for Gulf Power Company have been identified at this time.

Tampa Electric Company

ISSUE 26A: Should the Commission approve Tampa Electric Company's proposal to charge incremental cybersecurity costs to the capacity cost recovery clause?

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 2010 through December 2010?

POSITION: No position at this time.

ISSUE 28: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2011 through December 2011?

POSITION: No position at this time.

ISSUE 29: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2012 through December 2012?

POSITION: No position at this time.

ISSUE 30: What are the appropriate projected total capacity cost recovery amounts for the period January 2012 through December 2012?

POSITION: 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 2012 through December 2012?

POSITION: 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 2012 through December 2012?

POSITION: No position at this time.

ISSUE 33: What are the appropriate capacity cost recovery factors for the period January 2012 through December 2012?

POSITION: No position at this time.

III. EFFECTIVE DATE

ISSUE 34: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

POSITION: Agree with Staff.

E. STIPULATED ISSUES

There are no stipulated issues at this time.

F. PENDING MOTIONS

FEA has no pending motions at this time.

G. PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

FEA has no pending requests for confidentiality at this time.

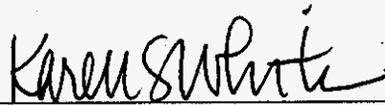
H. OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT

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

I. COMPLIANCE WITH ORDER NO. PSC-11-0383-PCO-EI

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

Respectfully submitted this 11th day of October, 2011.



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of FEA'S PREHEARING STATEMENT has
been filed with Office of Commission Clerk and one copy has been furnished to the following by
electronic mail, on this 11th day of October, 2011:

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