

Diamond Williams

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Sent: Wednesday, October 12, 2011 11:07 AM
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Subject: E-filing & E-Service: PEF's Prehearing Statement - Dkt# 110002-EG
Attachments: FINAL - PEF Prehearing statement (ECCR) 10.12.11.pdf

This electronic filing is made by:

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Docket No. 110002-EG

On Behalf of Progress Energy Florida, Inc.

Consisting of 7 Pages.

**The attached document for filing is PEF's
Prehearing Statement in the above-referenced docket.**

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DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

10/12/2011

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy conservation cost)
recovery clause.)
_____)

Docket No. 110002-EG

Filed: October 12, 2011

PROGRESS ENERGY FLORIDA, INC.'S
PREHEARING STATEMENT

Progress Energy Florida, Inc. ("PEF"), pursuant to the Order Establishing Procedure in this proceeding, Order No. PSC-11-0136-PCO-EG dated February 28, 2011, hereby submits its Prehearing Statement:

A. Known Witnesses – PEF intends to offer the direct testimony of:

Direct Testimony.

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Helena T. Guthrie	Final True-up, January – December 2010	1
Helena T. Guthrie	Estimated/Actual True-up, January – December 2011 and ECCR Factors For January – December 2012	2 - 4

B. Known Exhibits – PEF intends to offer the following exhibits:

<u>Exhibit No.</u>	<u>Witness</u>	<u>Description</u>
_____ (HTG-1T)	Guthrie	ECCR Adjusted Net True-Up for January - December 2010, Schedules CT1 – CT5
_____ (HTG-1P)	Guthrie	Actual/Estimated True-Up, January – December 2011 and ECCR Factors for Billings in January – December 2012, Schedules C1 – C5

C. Statement of Basic Position – None necessary.

D-F. Issues and Positions

PEF's positions on the issues identified in this proceeding are as follows:

Generic Conservation Cost Recovery Issues

ISSUE 1: What are the final conservation cost recovery true-up amounts for the period January 2010 through December 2010?

PEF: \$9,058,508 over-recovery. (Guthrie)

ISSUE 2: What are the total conservation cost recovery amounts to be collected during the period January 2012 through December 2012?

PEF: \$93,514,880. (Guthrie)

ISSUE 3: What are the conservation cost recovery factors for the period January 2012 through December 2012?

PEF:

<u>Customer Class</u>	<u>ECCR Factor</u>
Residential	0.288 cents/kWh
General Service Non-Demand	0.238 cents/kWh
@ Primary Voltage	0.236 cents/kWh
@ Transmission Voltage	0.233 cents/kWh
General Service 100% Load Factor	0.201 cents/kWh
General Service Demand	0.84 cents/kWh
@ Primary Voltage	0.83 cents/kWh
@ Transmission Voltage	0.82 cents/kWh
Curtable	0.90 cents/kWh
@ Primary Voltage	0.89 cents/kWh
@ Transmission Voltage	0.88 cents/kWh
Interruptible	0.77 cents/kWh
@ Primary Voltage	0.76 cents/kWh
@ Transmission Voltage	0.75 cents/kWh
Standby Monthly	0.84 cents/kWh
@ Primary Voltage	0.83 cents/kWh

@ Transmission Voltage	0.82 cents/kWh
Standby Daily	0.40 cents/kWh
@ Primary Voltage	0.40 cents/kWh
@ Transmission Voltage	0.39 cents/kWh
Lighting	0.132 cents/kWh

(Guthrie)

ISSUE 4: What should be the effective date of the new conservation cost recovery factors for billing purposes?

PEF: The new factors should be effective beginning with the first billing cycle for January 2012, and thereafter through the last billing cycle for December, 2012. The first billing cycle may start before January 1, 2012, and the last billing cycle may end after December 31, 2012, so long as each customer is billed for twelve months regardless of when the factors became effective. (Guthrie)

SACE's Proposed Generic Issues

ISSUE 7: Has the utility documented a levelized cost, or used another methodology, to determine the DSM plan program cost per unit or energy savings?

PEF: As PEF understands it, this issue is not within the scope of this docket. This issue assumes that the utility is required to document a levelized cost or otherwise determine a cost per unit of energy savings, which is not a requirement under the rules and statutes. In any event, even if this would be required, the only use for such information is to compare various programs and determine the proper mix of programs. That analysis is only appropriate in a goal setting docket, not the ECCR, which concerns the implementation of already-approved programs.

ISSUE 8: Would a different mix of compliant DSM Plan programs result in a lower conservation cost recovery factor?

PEF: This issue is not appropriate for inclusion in this docket. The ECCR concerns the implementation of already-approved programs. SACE is attempting to litigate in two forums the issue of the proper mix of DSM programs to meet a goal. The only forum for this issue is the DSM goal-setting proceeding, which is currently the subject of a protest by SACE.

ISSUE 9: Would modifying the design of existing compliant DSM Plan programs result in a lower cost recovery factor?

PEF: This issue is not appropriate for inclusion in this docket. The ECCR concerns the implementation of already-approved programs. SACE is attempting to litigate in two forums the issue of the proper mix of DSM programs to meet a goal. The only forum for this issue is the DSM goal-setting proceeding, which is currently the subject of a protest by SACE.

ISSUE 10: Would an increased reliance on lower cost compliant DSM Plan programs result in a lower cost recovery factor?

PEF: This issue is not appropriate for inclusion in this docket. The ECCR concerns the implementation of already-approved programs. SACE is attempting to litigate in two forums the issue of the proper mix of DSM programs to meet a goal. The only forum for this issue is the DSM goal-setting proceeding, which is currently the subject of a protest by SACE.

ISSUE 11: Are the costs of the DSM Plan programs prudent?

PEF: This issue is not appropriate for inclusion in this docket. Given the language included in SACE's petition to intervene, it appears that SACE is using this issue to argue that the DSM Plan program costs are not prudent because "the energy efficiency program costs are unnecessarily expensive" and "there are less costly program alternatives or program designs." (Petition at para. 9). In essence, SACE is using this issue to re-litigate the issues already being considered in the goal setting docket. The ECCR is an implementation docket, meaning that it confirms that the already-approved programs are being implemented consistent with the Commission's previous approval. The ECCR is not the forum in which to argue for a change in the program mix or for new programs not previously approved.

G. Stipulated Issues

PEF is not a party to any stipulations at this time.

H. Pending Motions

PEF has no pending motions at this time.

I. Requests for Confidentiality

PEF has no pending requests for confidentiality at this time.

J. Requirements of Order

PEF believes that this prehearing statement complies with all the requirements of the Order Establishing Procedure.

K. Objections to Qualifications

At this time, PEF has no objection to the qualifications of any expert witnesses in this proceeding.

Respectfully submitted this 12th day of October, 2011.

s/ Dianne M. Triplett

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail this 12th day of October, 2011 to all parties of record as indicated below.

s/ Dianne M. Triplett

DIANNE M. TRIPLETT

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