

**Eric Fryson**

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**Subject:** FEA Prehearing Statement (120001-EI)  
**Signed By:** There are problems with the signature. Click the signature button for details.  
**Attachments:** FEA Prehearing Statement.pdf

a. Person responsible for this electronic filing:

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b. Docket 120001-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 9 pages to FEA's Prehearing Statement

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

SAMUEL MILLER, Capt, USAF  
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DOCUMENT NUMBER-DATE  
 06792 OCT-5 12  
 FPSC-COMMISSION CLERK

850-283-6663  
DSN 523-6663

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. | DOCKET NO. 120001-EI  
| DATED: October 5, 2012

FEDERAL EXECUTIVE AGENCIES PREHEARING STATEMENT

Pursuant to Order No. PSC-12-0061-PCO-EI, issued February 10, 2012, the Federal Executive Agencies hereby files its Prehearing Statement in the above-captioned docket.

a. All Known Witnesses

FEA does not intend to call any witnesses at this time.

b. All Known Exhibits

FEA does not intend to file any exhibits at this time.

c. FEA's Statement of Basic Position

FEA's positions are preliminary and based on materials filed by the parties and on discovery. FEA's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. FEA's Position on the Issues

I. FUEL ISSUES

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 2012 and August 2012 hedging reports?

FEA: No position at this time.

ISSUE 1B: Should the Commission approve PEF's 2013 Risk Management Plan?

FEA: No position at this time.

ISSUE 1C: Has PEF correctly reflected the \$129 million refund pursuant to the Settlement approved in Order No. PSC-12-0104-FOF-EI in the calculation of the 2013 fuel factor?

DOCUMENT NUMBER-DATE

06792 OCT-5 2012

FPSC-COMMISSION CLERK

FEA: 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 2012 and August 2012 hedging reports?

FEA: No position at this time.

**ISSUE 2B:** Should the Commission approve FPL's 2013 Risk Management Plan?

FEA: No position at this time.

**ISSUE 2C:** Should FPL's fuel factors for the new RTR-1 rider be approved?

FEA: No position at this time.

**Florida Public Utilities Company**

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

FEA: No position at this time.

**ISSUE 3B:** Should FPUC be allowed to recover through the Fuel Clause the legal and consulting fees incurred in developing the Company's Time of Use and Interruptible Rates for its Northwest Division?

FEA: 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 2012 and August 2012 hedging reports?

FEA: No position at this time.

**ISSUE 4B:** Should the Commission approve Gulf's 2013 Risk Management Plan?

FEA: 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 2012 and August 2012 hedging reports?

FEA: No position at this time.

**ISSUE 5B:** Should the Commission approve TECO's 2013 Risk Management Plan?

FEA: No position at this time.

GENERIC FUEL ADJUSTMENT ISSUES

**ISSUE 6:** What are the appropriate actual benchmark levels for calendar year 2012 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FEA: No position at this time.

**ISSUE 7:** What are the appropriate estimated benchmark levels for calendar year 2013 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FEA: No position at this time.

**ISSUE 8:** What are the appropriate fuel adjustment true-up amounts for the period January 2011 through December 2011?

FEA: No position at this time.

**ISSUE 9:** What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2012 through December 2012?

FEA: No position at this time.

**ISSUE 10:** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2013 to December 2013?

FEA: No position at this time.

**ISSUE 11:** What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2013 through December 2013?

FEA: No position at this time.

## 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 2011 through December 2011 for each investor-owned electric utility subject to the GPIF?

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

**ISSUE 17:** What should the GPIF targets/ranges be for the period January 2013 through December 2013 for each investor-owned electric utility subject to the GPIF?

**FEA:** 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 2013 through December 2013?

**FEA:** 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 2013 through December 2013?

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

**ISSUE 20:** What are the appropriate levelized fuel cost recovery factors for the period January 2013 through December 2013?

**FEA:** 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?

**FEA:** 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?

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

## II. CAPACITY ISSUES

### COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

Progress Energy Florida, Inc.

ISSUE 23A: What is the amount to be included in the Capacity Cost Recovery Clause, for PEF's 2013 nuclear cost recovery?

FEA: No position at this time.

Florida Power & Light Company

ISSUE 24A: What is the amount to be included in the Capacity Cost Recovery Clause, for FPL's 2013 nuclear cost recovery?

FEA: No position at this time.

ISSUE 24B: Should an adjustment be made to transfer incremental security costs from the Capacity Cost Recovery Clause to base rates?

FEA: No position at this time.

ISSUE 24C: If the Commission approves the Proposed Settlement Agreement, 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 2013 through December 2013?

FEA: No position at this time.

ISSUE 24D: Should FPL be permitted to recover incremental Fukushima compliance costs incurred after January 1, 2013 through the Capacity Cost Recovery Clause?

FEA: No position at this time.

ISSUE 24E: If the Commission approves the Proposed FPL Rate Case Settlement Agreement that was filed in Docket No. 120015-EI on August 15, 2012 (the "Proposed Settlement Agreement"), should the Commission approve FPL's proposed GBRA factor of 3.527 percent for the Canaveral Modernization Project?

FEA: 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 2011 through December 2011?

FEA: No position at this time.

ISSUE 28: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2012 through December 2012?

FEA: 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 2013 through December 2013?

FEA: No position at this time.

ISSUE 30: What are the appropriate projected total capacity cost recovery amounts for the period January 2013 through December 2013?

FEA: 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 2013 through December 2013?

FEA: 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 2013 through December 2013?

FEA: No position at this time.

ISSUE 33: What are the appropriate capacity cost recovery factors for the period January 2013 through December 2013?

FEA: 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?

FEA: No position at this time.

#### e. Stipulated Issues

There are no stipulated issues at this time.

f. Pending Motions

FEA has no pending motions.

g. Pending Confidentiality Claims or Requests

FEA has no pending confidentiality claims or requests.

h. Objections to Witness Qualifications as an Expert

FEA has no objections to any witness's qualifications as an expert.

i. Compliance with Order No. PSC-12-0061-PCO-EI

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

RESPECTFULLY SUBMITTED, this 5<sup>th</sup> day of October, 2012:



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 120001-EI

DATED: October 5, 2012

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that 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 5<sup>th</sup> day of October, 2012:

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