

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 140001-EI

DATED: October 27, 2014

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-14-0439-PCO-EI, filed August 22, 2014, the Staff of the Florida Public Service Commission files its Prehearing Statement.

1. All Known Witnesses

There are no known witnesses at this time.

2. All Known Exhibits

There are no known exhibits at this time.

3. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

4. Staff's Position on the Issues

ISSUE 1: Should the Commission approve Florida Power & Light Company's (FPL) request to recover the amounts it would pay to its subsidiary for gas obtained from the PetroQuest joint venture through the fuel cost recovery clause on the basis and in the manner proposed by FPL in the June 25 Petition?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 2: If the Commission answers Issue 1 in the negative, what standard should the Commission apply to a request by FPL to recover the price that FPL pays to its subsidiary/affiliate for gas obtained through the joint venture with PetroQuest?

POSITION: Staff has no position pending evidence adduced at the hearing.

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ISSUE 3: What amount, if any, associated with the transactions proposed in FPL's June 25 Petition should be included for recovery through FPL's 2015 fuel cost recovery factor?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 4: Do FPL's proposed guidelines for future capital investments in natural gas exploration and drilling joint ventures satisfy the Commission's criteria for consideration in the fuel cost recovery clause proceeding?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 5: If the Commission answers Issue 4 in the affirmative, should the Commission approve FPL's proposed criteria?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 6: Is FPL contractually precluded by paragraph 6 of the Stipulation and Settlement Agreement dated December 12, 2012 and approved by the Commission in Order No. PSC-13-0023-S-EI from seeking to increase rates as it proposes?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 7: If the Commission concludes that FPL's petition has merit, should the Commission engage in rulemaking pursuant to section 120.54, Florida Statutes, and adopt rules addressing gas reserve guidelines and operations rather than adopting the Gas Reserves Guidelines as proposed by FPL?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 8: What effect, if any, does Commission's decision on Issue 3 have on the fuel cost recovery factor and GPIF targets/ranges for the period January 2015 through December 2015?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 9: Should this docket be closed?

POSITION: Staff has no position pending evidence adduced at the hearing.

5. Stipulated Issues

There are no stipulated issues at this time.

6. Pending Motions

Staff has no pending motions at this time.

7. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests at this time.

8. Objections to Witness Qualifications as an Expert

Staff has no objection to witnesses' qualifications as experts.

9. Compliance with Order No. PSC-14-0439-PCO-EI

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

Respectfully submitted this 27th day of October, 2014.

/s/ Martha F. Barrera

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that STAFF'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 27th day of October, 2014:

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