

Michael M. Wilson
CHAIRMAN



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TALLAHASSEE, FL 32399-8153
(904) 488-7001

December 11, 1989

Mr. D. L. McCrary
President
Gulf Power Company
Post Office Box 1151
Pensacola, Florida 32520-1151

Dear Mr. McCrary:

I have received your letter of December 1, 1989 requesting approval of calendar year 1990 as a projected test year for determining an appropriate increase in your company's rates and charges. In addition, it has been requested that calendar year 1989 be used as the prior year for purposes of completing certain minimum filing requirements. I have been advised by staff that the "historic" year 1989 will be based on actual data for January through August and on projected data for September through December. Your request for approval of these periods is granted. For administrative purposes, Docket No. 891345-EI has been assigned to this case.

ACK _____

AFA _____

APP _____

CAF _____

CMU _____

CTR _____

EAG _____

LEG _____

LIN _____

OPC _____

RCH _____

SEC /

WAS _____

OTH _____

The Commission will be looking very closely at the growth in the company's rate base and expenses. In particular, non-fuel O&M expenses exceeding CPI and/or customer growth since the base year must be fully justified. For the purpose of determining the "benchmark" amounts and the resulting variances, the base year should be the 1984 O&M expenses that were approved in the company's last rate case in Docket No. 840086-EI.

Your petition will not be deemed filed until the petition, minimum filing requirements and revised tariff sheets have been received. If you cannot meet a proposed filing date of December 29, 1989, please request an extension of time in writing and fully state the extenuating circumstances for not meeting the filing date.

Any requests for waivers or delays in filing certain minimum filing requirements beyond the date for the filing of the petition, or any requests for interim rate relief, whether under Section 366.071, Florida Statutes, or Section 366.06, Florida Statutes, will be considered only when the proper petitions have been filed with the Commission.

An Affirmative Action/Equal Opportunity Employer

DOCUMENT NUMBER-DATE

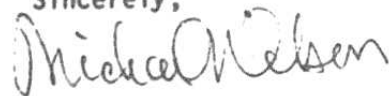
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FPSC-RECORDS/REPORTING

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Any questions concerning the minimum filing requirements to be utilized in this case should be directed to Joseph Jenkins, Director of the Division of Electric and Gas.

Sincerely,



Michael McK. Wilson
Chairman

GJS-MMW:bc

cc: Commissioners
David Swafford, Executive Director
William Talbott, Deputy Executive Director/Technical
Steve Tribble, Division of Records & Reporting
Joseph Jenkins, Division of Electric & Gas
Timothy Devlin, Division of Auditing & Financial Analysis
David Smith, Division of Appeal
Rob Vandiver, Division of Legal Services