

Gulf Power Company
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**ORIGINAL
FILE COPY**

the southern electric system

Jack L. Haskins
Manager of Rates and Regulatory Matters
and Assistant Secretary

August 10, 1994

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 931044-EI

Enclosed are an original and fifteen copies of Gulf Power Company's Notice of Intent to Request Confidential Classification to be filed in the above docket.

Sincerely,

Jack L. Haskins

ACK ✓ lw
AFA _____ cc: Beggs and Lane
APP _____ Jeffrey A. Stone
CAF _____
CMU _____
CTR _____
LEG Enabling
LIN 4
OPC _____
RCH _____
SEC 1
WAS _____
QTH _____

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"Our business is customer satisfaction"

DOCUMENT NUMBER-DATE
08168 AUG 11 1994
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition for authority to)
implement replacement rate)
schedule for standby)
electric service by Gulf)
Power Company.)

Docket No.: 931044-EI
Filed: August 11, 1994

NOTICE OF INTENT TO REQUEST CONFIDENTIAL CLASSIFICATION

Gulf Power Company, by and through its undersigned attorney and pursuant to Rule 25-22.006(3)(a), Florida Administrative Code, hereby gives notice that it intends to request confidential classification for certain information requested by the Florida Public Service Commission Staff in the above-referenced matter. This notice is related to Staff's request for Deposition Exhibit 7 (late filed) made during the Staff's deposition of Jim Thompson on July 22, 1994. Late Filed Exhibit 7 requests, in pertinent part, ". . . the amount of the impact in dollars and percentage by customer. The impact should be calculated as the difference between what the customer would pay under the SS rate schedule that was replaced in June and the SBS rate schedule with the exception of the above daily demand charges." This information has also been identified as Hearing Exhibit 14 as part of the hearing in this case held August 1 and 2, 1994. Appendix A to this notice is a copy of Hearing Exhibit 14 (late filed) without the confidential information attached.

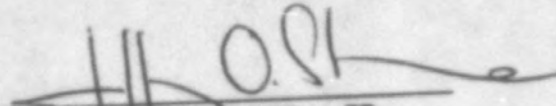
The SBS customer class is expected to consist of five (5) customers, most of whom are private business entities which compete with other businesses in the marketplace. The information described above is considered by those customers to be proprietary and confidential, and release thereof will impair the competitive

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FPSC-RECORDS/REPORTING

business interests of Gulf's SBS customers. Gulf Power is attempting, through informal discussions with Commission Staff counsel, to provide the requested information in such a way that the customers' interests in this proprietary information will not be compromised. In the event, however, that Staff deems it necessary to use this information in the record of this docket, a formal request for confidential classification will be filed within the time period specified in Rule 25-22.006(3)(a), Florida Administrative Code.

Dated this 10th day of August, 1994.

Respectfully submitted,



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Florida Public Service Commission
Docket No. 931044-EI
GULF POWER COMPANY
Witness: J. I. Thompson
August 10, 1994
Hearing Exhibit No. 14
(late filed)

Late Filed Exhibit 7 to the July 22, 1994 deposition of Jim Thompson by the FPSC Staff.

This exhibit consists of the 4 attached pages. As noted on the fourth page attached, certain information requested at the deposition has been submitted to the Staff under separate cover pursuant to a notice of intent to seek confidential classification.

Appendix A

7. Provide the revenue impact for 1992 of changing the non-option A daily demand charge for the three summer months to \$1.09 and, two, the revenue impact of changing the option A daily demand charge for non-CMM months to \$2.13 for 500 to 7,499 kilowatt customers, making the same assumption regarding which customers would take SBS under the option A and which under non-option A as was used in Exhibit B of the petition. Provide the derivation in the same format as Exhibit B of the Company's petition and separately for non-option A and option A. Also please provide the amount of the impact in dollars and percentage by customer. The impact should be calculated as the difference between what the customer would pay under the SS rate schedule that was replaced in June and the SBS rate schedule with the exception of the above daily demand charges.

RESPONSE: In making the requested calculations, Gulf has simply used the numbers as provided by Staff. Gulf did not derive the numbers used in the attached calculation. In some instances, use of the numbers provided without modification appears to be inconsistent with principles of rate design about which there has been no disagreement in the context of this proceeding. Gulf does not agree with the characterization of the amounts resulting from the requested calculations as "revenue impacts".

The requested calculations using the numbers provided are set forth on pages 2 through 4 of this response. Pages 2 and 3 are attached. Page 4 is submitted under separate cover pursuant to a notice of intent to seek confidential classification. The following is submitted as a non-confidential summary of the material for which confidential treatment will be sought:

A combination of the results shown on pages 2 and 3 of this response indicates that the amount of "revenues" from the SBS rate schedule with modified daily demand charges as supplied by Staff would be \$277,474.10 less than the base case of assumed revenues from former rate schedule SS. This is a 4.8% decrease from the assumed base case. Page 4 shows that 4 of the 5 customers would experience decreases under this scenario, and 1 of the 5 would experience an increase.

1992
**CALCULATION FOR FPSC STAFF
OPTION A CUSTOMERS ONLY**

<u>Customer Charge</u>			
8 Bills @	\$250.00 =	\$2,000.00	
16 Bills @	\$595.00 =	\$9,520.00	
4 Bills @	\$251.98 =	\$1,007.92	
8 Bills @	\$600.01 =	\$4,800.08	
			\$17,328.00
<u>Local Facilities Charge (Sum of BC and NC)</u>			
46,800 KW @	\$1.24 =	\$58,032.00	
548,000 KW @	\$0.52 =	\$284,960.00	
23,400 KW @	\$1.25 =	\$29,250.00	
274,000 KW @	\$0.52 =	\$142,480.00	
			\$514,722.00
<u>On-Peak Demand Charge</u>			
12,177 KW @	\$7.21 =	\$87,796.17	
212,300 KW @	\$7.66 =	\$1,626,216.00	
7,107 KW @	\$7.27 =	\$51,667.89	
100,472 KW @	\$7.73 =	\$776,648.56	
			\$2,542,330.62
<u>Reservation Charge</u>			
12,000 KW @	\$1.00 =	\$12,000.00	
279,000 KW @	\$0.99 =	\$276,210.00	
6,000 KW @	\$1.01 =	\$6,060.00	
127,000 KW @	\$1.00 =	\$127,000.00	
			\$421,270.00
<u>Daily Demand Charge</u>			
0 KW @	\$2.13 =	\$0.00	
45,994 KW @	\$2.12 =	\$97,507.28	
			\$97,507.28
<u>Excess KVAR Charge</u>			
8,754 KW @	\$1.00 =	\$8,754.00	
			\$8,754.00
<u>Energy Charge</u>			
15,559,480 KWH @	\$0.00417 =	\$64,883.03	
147,268,200 KWH @	\$0.00406 =	\$597,908.89	
8,160,800 KWH @	\$0.00421 =	\$34,356.97	
69,302,300 KWH @	\$0.00410 =	\$284,139.43	
			\$981,288.32
<u>Transformer Ownership and Primary Metering Voltage Discounts</u>			
70,200 KW @	(\$0.41) =	(\$28,782.00)	
46,800 KW @	(\$0.0124) =	(\$580.32)	
23,400 KW @	(\$0.0125) =	(\$292.50)	
12,177 KW @	(\$0.0721) =	(\$877.96)	
7,107 KW @	(\$0.0727) =	(\$516.68)	
12,000 KW @	(\$0.0100) =	(\$120.00)	
6,000 KW @	(\$0.0101) =	(\$60.60)	
0 KW @	(\$0.0213) =	\$0.00	
15,559,480 KWH @	(\$0.0000417) =	(\$648.83)	
8,160,800 KWH @	(\$0.0000421) =	(\$343.57)	
			(\$32,222.46)
TOTAL 1992 \$4,550,977.76			
TOTAL 1992 LPT/PXT/SS BASE REVENUE \$4,583,643.15			
DIFFERENCE (\$32,665.39)			
PERCENTAGE (%) -0.71%			

1992
CALCULATION FOR FPSC STAFF
NON-OPTION A CUSTOMERS ONLY

Customer Charge			
8 Bills @	\$250.00	=	\$2,000.00
8 Bills @	\$595.00	=	\$4,760.00
4 Bills @	\$251.96	=	\$1,007.92
4 Bills @	\$600.01	=	\$2,400.04
			<u>\$10,167.96</u>
Local Facilities Charge (Sum of BC and NC)			
12,000 KW @	\$1.24	=	\$14,880.00
384,000 KW @	\$0.52	=	\$199,680.00
6,000 KW @	\$1.25	=	\$7,500.00
192,000 KW @	\$0.52	=	\$99,840.00
			<u>\$321,000.00</u>
On-Peak Demand Charge (N/A)			
Reservation Charge			
12,000 KW @	\$1.00	=	\$12,000.00
384,000 KW @	\$0.99	=	\$380,160.00
6,000 KW @	\$1.01	=	\$6,060.00
192,000 KW @	\$1.00	=	\$192,000.00
			<u>\$590,220.00</u>
Daily Demand Charge			
0 KW @	\$0.47	=	\$0.00
0 KW @	\$1.09	=	\$0.00
			<u>\$0.00</u>
Excess KVAR Charge (N/A)			
Energy Charge			
78,700 KWH @	\$0.00417	=	\$328.18
8,500,000 KWH @	\$0.00406	=	\$34,510.00
182,500 KWH @	\$0.00421	=	\$768.33
8,500,000 KWH @	\$0.00410	=	\$34,850.00
			<u>\$70,456.51</u>
Transformer Ownership and Transmission Metering Voltage Discounts			
18,000 KW @	(\$0.48)	=	(\$8,640.00)
12,000 KW @	(\$0.0248)	=	(\$297.60)
6,000 KW @	(\$0.0250)	=	(\$150.00)
12,000 KW @	(\$0.0200)	=	(\$240.00)
6,000 KW @	(\$0.0202)	=	(\$121.20)
0 KW @	(\$0.0094)	=	\$0.00
0 KW @	(\$0.0218)	=	\$0.00
78,700 KWH @	(\$0.0000834)	=	(\$6.56)
182,500 KWH @	(\$0.0000842)	=	(\$15.37)
			<u>(\$9,470.73)</u>
TOTAL 1992			\$983,273.74
TOTAL 1992 SS BASE REVENUE			\$1,228,062.45
DIFFERENCE			(\$244,808.71)
PERCENTAGE (%)			-19.93%

Florida Public Service Commission
Docket No. 931044-EI
Staff Deposition of Jim Thompson
July 22, 1994
Late Filed Exhibit No. 7
August 10, 1994
Page 4 of 4

Page 4 is submitted as confidential material pursuant to a notice of intent to seek confidential classification.

	<u>Increase \$/(Decrease \$)</u>	<u>Increase %/(Decrease %)</u>
Customer 1		
Customer 2		
Customer 3		
Customer 4		
Customer 5		

Any difference between the above numbers and total numbers on the second and third pages is due to rounding.

