

Gulf Power Company
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Jack L. Haskins
Manager of Rules and Regulatory Matters
and Assistant Secretary

ORIGINAL
FILE COPY

July 6, 1995

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 950007-EI

ACC ✓
AFA 2 Enclosed for official filing are an original and fifteen copies of the Preliminary
APP Statement of Gulf Power Company Regarding Issues and Positions to be filed in
the above referenced docket.

CAF
CMB Also enclosed is a 3.5 inch double sided, high density diskette containing the
CFC Statement in WordPerfect for Windows 6.0a format as prepared on a MS-DOS
based computer.

Enc. 1 Sincerely,

LI 3
C Jack L. Haskins

1 lw

V Enclosures

cc: Beggs and Lane
Jeffrey A. Stone, Esquire

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DOCUMENT NUMBER DATE

06438 JUL-7-95

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost) Docket No. 950007-EI
Recovery Clause.) Filed: July 7, 1995
_____)

PRELIMINARY STATEMENT OF GULF POWER COMPANY
REGARDING ISSUES AND POSITIONS

Gulf Power Company, ("Gulf Power", "Gulf", or "the "Company"),
by and through its undersigned attorneys, hereby files this
preliminary statement of issues and positions, saying:

Generic Environmental Cost Recovery Issues

ISSUE 1: What are the appropriate final environmental cost
recovery true-up amounts for the period October, 1994
through March, 1995?

GULF: Over recovery \$101,428. (Vick, Gilchrist Cranmer)

ISSUE 2: What are the estimated environmental cost recovery
true-up amounts for the period April, 1995 through
September, 1995?

GULF: Over recovery \$428,156. (Vick, Gilchrist, Cranmer)

ISSUE 3: What are the total environmental cost recovery true-up
amounts to be collected/refunded during the period
October, 1995 through March, 1996?

GULF: Refund of \$529,584. (excluding revenue taxes).
(Cranmer)

ISSUE 4: What are the appropriate projected environmental cost
amounts to be included in the recovery factors for the
period October, 1995 through March, 1996?

GULF: \$5,418,716. (Vick, Gilchrist, Cranmer)

DOCUMENT NUMBER DATE

06438 JUL-7 95

FPSC-RECORDS/REPORTING

ISSUE 5: What are the appropriate Environmental Cost Recovery Factors for each rate group?

GULF: See table below: (Cranmer)

RATE CLASS	ENVIRONMENTAL COST RECOVERY FACTORS ϕ /KWH
RS, RST	0.156
GS, GST	0.155
GSD, GSDT, SBS	0.139
LP, LPT, SBS	0.129
PX, PXT, RTP, SBS	0.119
OSI, OSII	0.090
OSIII	0.127
OSIV	0.090

The recovery factor applicable to customers taking service under Rate Schedule SBS is determined as follows: customers with a Contract Demand in the range of 100 to 499 KW will use the recovery factor applicable to Rate Schedule GSD; customers with a Contract Demand in the range of 500 to 7,499 KW will use the recovery factor applicable to Rate Schedule LP; and customers with a Contract Demand over 7,499 KW will use the recovery factor applicable to Rate Schedule PX.

ISSUE 6: What should be the effective date of the new environmental cost recovery factors for billing purposes?

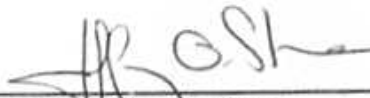
GULF: The factors should be effective beginning with the specified billing cycle and thereafter for the period October, 1995, through March, 1996. Billing cycles may start before October 1, 1995, and the last cycle may be read after March 31, 1996, so that each customer is billed for six months regardless of when the adjustment factor became effective. (Cranmer)

Company-Specific Environmental Cost Recovery Issues

ISSUE 9A: Should the Commission approve Gulf Power Company's request to recover the cost for dismantlement associated with ECRC investments through the Environmental Cost Recovery Clause? (Deferred from March hearing.)

GULF: Yes. Gulf is requesting the recovery of a fixed dismantlement accrual, offset by the revenue requirements on the accumulated reserve balance. (See SDC-2, Schedule 4, Page 16) This represents a change in the method Gulf used in past ECRC filings to calculate the amount of dismantlement costs recoverable through ECRC. Gulf has adjusted the over-recovery of ECRC costs to reflect the change in methodology effective January 1994 consistent with the effective date of the flat dismantlement accrual established by Order No. PSC-93-1808-FOF-EI in Docket No. 930221-EI. (Cranmer)

Respectfully submitted this 6th day of July, 1995.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost Recovery)
Clause)

Docket No. 950007-E1

Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing has been furnished this 10th day of July 1995 by U.S. Mail or hand delivery to the following:

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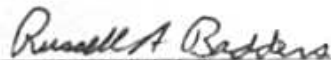
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