



**West Florida Electric  
Cooperative Association, Inc.**

A Touchstone Energy<sup>SM</sup> Partner



P.O. Box 127  
Graceville, FL 32440-0127  
(850) 263-3231  
Toll Free Florida: 1-800-342-7400  
Web Address: www.wfeca.net

P.O. Box 37  
Bonifay, FL 32425-0037  
(850) 547-9325

P.O. Box 1100  
Sneads, FL 32460-1100  
(850) 593-6491

August 22, 2001

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**FPSC-COMMISSION CLERK**

Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

**VIA HAND DELIVERY**

RE: In Re: Territorial Dispute Between West Florida Electric Cooperative Association, Inc. and Gulf Power Company in Washington County, Florida  
Docket No.: 010441-EU

Dear Ms. Bayo:

I am enclosing herewith the originals and fifteen (15) copies of the Rebuttal Testimony of Jeff Parish, Joseph E. Perry, III, P.E., Mark A. Cicchetti, Michael K. Moore, P.E. and Russell L. Dunaway filed on behalf of West Florida Electric Cooperative Association, Inc.

I am also enclosing a copy of this letter as an acknowledgement copy and would appreciate it if you would file stamp it and return it to me in the enclosed self-addressed/stamped envelope as an acknowledgement of the date the above Rebuttals were filed. Please call me if you have any questions regarding this matter.

Very truly yours,

Gary F. Clark

10407-01 thru 10411-01

GFC/daj  
Enclosures

- cc: John H. Haswell, Esquire  
Attorney for West Florida Electric Cooperative Association, Inc.
- Frank E. Bondurant, Esquire  
Attorney for West Florida Electric Cooperative Association, Inc.
- William S. Rimes, Executive Vice President and CEO  
West Florida Electric Cooperative Association, Inc.
- Jeffrey A. Stone, Esquire  
Attorney for Gulf Power Company
- Russell A. Badders, Esquire  
Attorney for Gulf Power Company

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*Man*  
FPSC-BUREAU OF RECORDS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Territorial Dispute Between  
West Florida Electric Cooperative  
Association, Inc. and Gulf Power  
Company in Washington County,  
Florida.

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Docket No.: 010441-EU

Date Filed: August \_\_\_\_\_, 2001

**REBUTTAL**

**OF**

**JOSEPH E. PERRY, III, P.E.**

**FOR**

**WEST FLORIDA ELECTRIC  
COOPERATIVE ASSOCIATION, INC.**

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

1 West Florida Electric Cooperative Association, Inc.

2 Before the Florida Public Service Commission

3 Prepared Rebuttal Testimony of

4 Joseph E. Perry, III, P.E.

5 Docket No. 010441-EU

6 Date of Filing: August 22, 2001

7

8 Q. Please state your name and business address and on whose  
9 behalf you are testifying in this proceeding?

10 A. My name is Joseph E. Perry, III, P.E. and my business address is  
11 2685 Milscott Drive, Decatur, Georgia 30033, and I am testifying  
12 on behalf of West Florida Electric Cooperative Association, Inc.

13 Q. You have already filed direct testimony in this docket, including  
14 your testimony as to your qualifications and education, is that not  
15 correct?

16 A. Yes, that is correct.

17 Q. What is the purpose of your rebuttal testimony?

18 A. To rebut portions of the testimony of Gulf Power witnesses,  
19 Anthony, Howell and Spangenberg.

20 Q. Please go on.

21 A. First, a brief comment on Anthony's Exhibit 1, which is a copy of  
22 the Joint Petition that Gulf Power and Enron filed requesting a  
23 Declaratory Statement from the Commission. Anthony may have  
24 attached it as an exhibit just to back up his testimony that Gulf  
25 Power and Enron did in fact file that action, but that is of course of

1 obvious notice to the Commission. If he included it in an attempt  
2 to establish the allegations in the Petition as true, then I take issue  
3 with parts of it. Specifically, referring to Page 7, Paragraph 9, Gulf  
4 Power and Enron attempt to show that West Florida and Alabama  
5 Electric Cooperative ("AEC") do not have adequate facilities to  
6 serve the additional load at the site of Station 13 (where "Station  
7 13-A" will be located), as if to say that that is why Enron had the  
8 right to request service from Gulf Power. What is just as true is  
9 that Gulf Power has no facilities at all in the disputed area.  
10 Whether we agree it's a four-mile radius of the site or just the  
11 Florida Gas Transmission property, Gulf Power's facilities are  
12 non-existent.

13 Q. What about Mr. Spangenberg's comments that West Florida has  
14 "a small distribution feeder" to serve the exiting FGT load?

15 A. The comment is disingenuous in nature and implies that West  
16 Florida has an insignificant electric system to serve hardly any  
17 load at all. This could not be further from the truth. West Florida's  
18 facilities are very adequate to serve the existing FGT load as well  
19 as their past load for over 40 years. The distribution circuit is  
20 operating at a strong 25 kv distribution voltage level providing for  
21 more than adequate capacity as well as stable service voltage  
22 conditions.

23 Q. What about Mr. Spangenberg's comment that West Florida could  
24 not serve a load even one-tenth the size of the FGT added load

25 A. That refers to his testimony on Page 4, Lines 11 through 13 of his

1 direct testimony. First, the statement is totally irrelevant to the  
2 issue at hand and is inappropriate and unnecessary. Neither Gulf  
3 Power nor West Florida have adequate facilities to serve the  
4 added load at the FGT site. Any distribution provider will have to  
5 build new distribution facilities to serve the size load being added.

6 Q. Mr. Spangenberg's comments on Page 6, Line 2 of his testimony  
7 imply that only Gulf Power has adequate capabilities to extend the  
8 necessary facilities. Is that a true statement?

9 A. No it's not. Mr. Spangenberg is implying that West Florida, with its  
10 owned power supplier, AEC, does not have the same capabilities.  
11 Both AEC and West Florida have adequate capabilities to extend  
12 the necessary facilities to the added load, and have demonstrated  
13 that to their existing customers for over 64 years. AEC has  
14 access to Gulf Power's 230 kv transmission lines and AEC and  
15 West Florida can extend facilities that would not be uneconomic  
16 duplication of any existing facilities and can provide adequate and  
17 reliable service even as they have to FGT for over 40 years.

18 Q. On Page 12, Lines 20 through 25 of Mr. Spangenberg's direct  
19 testimony he claims that West Florida does not directly serve a  
20 customer off a dedicated low-side bus of a distribution sub-station.  
21 Is that a correct statement?

22 A. It is not completely accurate. West Florida does serve customers  
23 off a dedicated low-side bus of a distribution sub-station through  
24 their owned power supplier, AEC. AEC has experience in serving  
25 a large load customer off a distribution sub-station bus and can

1 provide the necessary expertise in operations and maintenance of  
2 the facilities needed for the FGT added load. As a matter of fact,  
3 AEC has a major service center located in Chipley, Florida, which  
4 is in closer proximity to the Hinson Crossroads area than the  
5 service center of Gulf Power Company in Pensacola, Florida. As  
6 a practical matter, West Florida can respond to service  
7 requirements with its facilities and the facilities of AEC faster than  
8 Gulf Power.

9 Q. On Pages 15, Lines 17 through 25, Mr. Spangenberg suggests  
10 first that West Florida and AEC would have to build a 230 kv  
11 service from Alabama and then suggests that the cost of each  
12 utility's extension becomes irrelevant for purposes of awarding  
13 service rights if the extension is from the same existing facility.  
14 What are your comments regarding that?

15 A. In the first place, West Florida and AEC will not have to extend  
16 any of their facilities from Alabama. By appropriate orders of the  
17 Federal Energy Regulatory Commission and filed tariffs with the  
18 FERC, as well as agreements between AEC and the Southern  
19 Company, West Florida will have access through AEC to the Gulf  
20 Power 230 kv transmission line at the same point that Gulf Power  
21 will tap and extend it to the FGT compressor site. This will enable  
22 the facilities to be comparable to Gulf Power's and would not  
23 constitute an uneconomic duplication effort. As a matter of fact, if  
24 Enron had expressed the urgency of the need for service to West  
25 Florida and AEC, perhaps the lines and sub-station could have

1           been built at lower cost than that estimated by Gulf Power. Also, if  
2           WFEC and AEC were fully aware of the reliability needs of the  
3           FGT load requiring the need for a spare sub-station transformer,  
4           perhaps WFEC could have made a significant contribution  
5           towards the supply of the second transformer bank. This is a  
6           concept that would allow WFEC to utilize the second spare bank  
7           to serve West Florida's customers in the disputed area (at least a  
8           four-mile radius of the site) until FGT/Enron needed it. Hence,  
9           West Florida could economically contribute towards its purchase,  
10          and two-thirds to three-fourths of the cost of the transformer would  
11          not be unrealistic. Such flexibility would enable West Florida to  
12          reduce its line losses by over \$15,000.00 per year as well as  
13          improve the service reliability to their customers in the area by  
14          approximately 50%.

15   Q.     What about Mr. Howell's comments on Page 5, Lines 8 through 21  
16          regarding any detrimental effects?

17   A.     Mr. Howell claims that the answer to the question, "Would electric  
18          service to ECS at Station 13-A have any detrimental effect on the  
19          service on any Gulf or West Florida Cooperative customer is,  
20          "No." That is not correct. The answer to the question is really,  
21          "yes," if Gulf Power were to be permitted to serve the load and not  
22          WFEC. In short, there will be a detriment to West Florida's  
23          customers if service is provided by Gulf Power. West Florida's  
24          customers in the area would be detrimentally affected by not  
25          having access to this spare transformer bank required by

1 FGT/Enron. If West Florida and AEC were allowed to serve the  
2 FGT/Enron load and had access to the second spare transformer,  
3 WFEC could provide more economical and reliable service to its  
4 customers in the Hinson Crossroads area.

5 Q. On Page 5, Lines 23 through 6 on Page 6, Mr. Howell appears to  
6 assert that Gulf Power will not provide service to any other  
7 customer in the area around Station 13-A. Do you have any  
8 comments on that?

9 A. Yes, I do. While Gulf Power may not have any plans of serving  
10 any other customers in the Hinson Crossroads area, the mere  
11 extension of their facilities into West Florida's territory better  
12 enables them to position themselves to acquire other customers  
13 that may come into the area that West Florida should have the  
14 privilege of serving. All they have to do as Mr. Howell stated in his  
15 testimony is "install additional transformers and sub-station  
16 equipment". Therefore, it would not be difficult at all for Gulf  
17 Power to expand its service even further into area already served  
18 by West Florida.

19 Q. Does this conclude your testimony?

20 A. Yes, it does.

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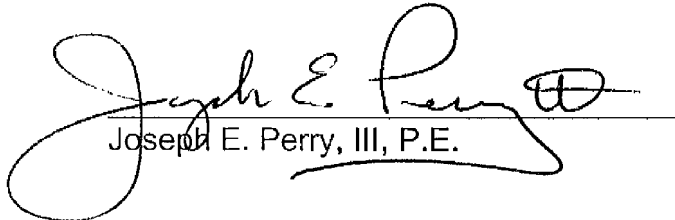


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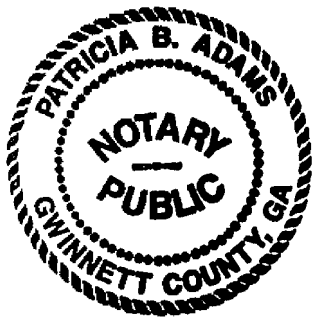
STATE OF GEORGIA


COUNTY OF DEKALB

BEFORE ME, the undersigned authority personally appeared JOSEPH E. PERRY, III, P.E., who being by me first duly sworn and who is personally known to me, deposed and says that the foregoing Pre-Filed Rebuttal Testimony, and Exhibits, if any, are true and correct to the best of his information, knowledge and belief.

  
Joseph E. Perry, III, P.E.

Sworn to and subscribed before me this 20th day of August, 2001.



  
Notary Public, State of Gwinnett Co, GA  
Print Name: Patricia B. Adams  
Commission Number:  
Commission Expiration Date: June 16, 2004