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September 21, 2001

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 010283-EI

Enclosed are an original and fifteen copies of the Post-Hearing Statement Issues and Positions of Gulf Power Company to be filed in the above docket.

Also enclosed is a 3.5 inch double sided, high density diskette containing the Statement in WordPerfect 6.0 format as prepared on a Windows NT based computer.

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Ritenour".

Susan D. Ritenour
Assistant Secretary and Assistant Treasurer

lw

Enclosures

cc: Beggs and Lane
Jeffrey A. Stone, Esquire

DOCUMENT NUMBER - DATE

11921 SEP 24 01

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Calculation of Gains and
appropriate regulatory treatment for
non-separated wholesale energy sales by
investor-owned electric utilities

Docket No. 010283-EI
Date Filed: September 24, 2001

**POST-HEARING STATEMENT ISSUES AND POSITIONS
OF GULF POWER COMPANY**

Gulf Power Company, (“Gulf Power”, “Gulf”, or “the Company”), by and through its undersigned attorneys, and pursuant to Order No. PSC-01-0517-PCO-EI and Rule 28-106.215, Florida Administrative Code, files this post-hearing statement of issues and positions, saying:

ISSUES AND POSITIONS

ISSUE 1: What is the appropriate regulatory treatment for SO₂ emission allowances associated with non-separated wholesale energy sales?

GULF: For non-separated wholesale energy sales that contain an SO₂ emission allowance component, that portion of the sales price associated with the SO₂ emission allowance should be credited to either the fuel cost recovery clause or the environmental cost recovery clause.

ISSUE 2: What is the appropriate regulatory treatment for the cost of fuel and purchased power associated with non-separated wholesale energy sales?

GULF: The fuel and purchased power cost recovery clause should be credited for an amount equal to the incremental fuel cost of generating the energy for non-separated wholesale energy sales.

ISSUE 3: What is the appropriate regulatory treatment for the operation and maintenance (O&M) expenses associated with non-separated wholesale energy sales?

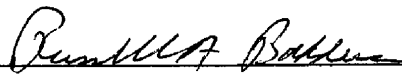
GULF: Operating revenues should be credited for an amount equal to the incremental O&M expenses related to generating the energy for non-separated wholesale energy sales.

ISSUE 4: How should the Commission implement Part II of Order No. PSC-00-1744-PAA-EI, in Docket No. 991779-EI, issued September 26, 2000, concerning the application of incentives to wholesale energy sales?

GULF: Gulf agrees with the implementation methodology set forth in the Commission Staff's September 20, 2000 memorandum issued in Docket No. 000001-EI.

Dated this 21st day of September, 2001.

Respectfully submitted,



JEFFREY A. STONE

Florida Bar No. 325953

RUSSELL A. BADDERS

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Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Calculation of gains and appropriate)
regulatory treatment for non-separated wholesale)
energy sales by investor-owned electric utilities)
_____)

Docket No. 010283-EI

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 21st day of September 2001 on the following:

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