



November 7, 2002

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. 020007-E1

Enclosed are an original and ten copies of the Supplemental Petition 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 Petition in WordPerfect format as prepared on a Windows NT based computer.

Sincerely,

Susan D. Ritenour
Assistant Secretary and Assistant Treasurer

lw

cc: Beggs and Lane
Jeffrey A. Stone, Esquire

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost Recovery Clause) Docket No.: 020007-EI
_____) Filed: November 8, 2002

SUPPLEMENTAL PETITION OF GULF POWER COMPANY

GULF POWER COMPANY (“Gulf Power”, “Gulf”, or “the Company”), by and through its undersigned counsel, hereby supplements its petition filed in this docket on September 9, 2002, to request that this Commission approve the projected environmental cost recovery amounts for the period January 2003 through December 2003 and the environmental cost recovery factors to be applied in customer billings beginning with the period January 2003 through December 2003 consistent with this petition. These projections and factors have been revised from those contained in the September 9, 2002 petition to address the implementation of the Commission’s decision in Order No. PSC-02-1396-PAA-EI in Docket No. 020943-EI. As grounds for the relief requested by this supplemental petition, the Company would respectfully show:

(1) In light of the Commission’s decision in Order No. PSC-02-1396-PAA-EI in Docket No. 020943-EI, Gulf has calculated its projected environmental cost recovery amounts for the months January 2003 through December 2003 in accordance with the principles and policies for environmental cost recovery found in §366.8255 of the Florida Statutes and Commission Order No. PSC-93-0044-FOF-EI. The revised calculated factors reflect the recovery of the projected environmental cost recovery amount of \$11,313,738 for the period January 2003 through December 2003, plus the net true-up amount adjusted for revenue taxes. The revised factors should be used only if the Commission determines that the depreciation for Crist Units 1, 2 and 3 will be accelerated and recovered during the 2003 projection period as

discussed in the supplemental direct of Susan D. Ritenour filed herewith and incorporated herein by reference. In the event that the Commission determines that no change in the depreciation schedule is necessary or desirable with regard to Crist Units 1, 2 and 3, the factors reflected in the September 9, 2002 should be approved by the Commission. In addition, if the depreciation/amortization expense is not accelerated for Crist Units 1, 2 and 3, the need for a revised depreciation study for the Crist Plant would no longer be necessary and Gulf requests that the order in this docket setting factors for the 2003 projection period also relieve Gulf of the obligation to conduct such a study.

The computations and supporting data for the Company's revised environmental cost recovery factors are set forth on Schedules 1-9 attached as part of the exhibit to the supplemental direct testimony of S. D. Ritenour.

(2) In the event that the Commission determines that the depreciation/amortization expense for Crist Units 1, 2 and 3 shall be accelerated, the calculated environmental cost recovery factors by rate class, including true-up, are:

RATE CLASS	ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH
RS, RSVP	.110
GS, GST, GSTOU	.109
GSD, GSDT	.102
LP, LPT	.096
PX, PXT, RTP, SBS	.091
OS-I/II	.079
OSIII	.094
OSIV	.079

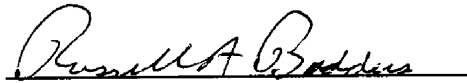
If the depreciation/amortization expense for Crist Units 1, 2 and 3 is not accelerated as discussed in the supplemental direct testimony of Susan D. Ritenour, the factors set forth in the petition filed in this docket on September 9, 2002 are appropriate for approval by this Commission.

(3) Except to the extent that it is modified herein, the September 9, 2002 petition filed by Gulf in this docket is incorporated by reference and made a part of this Amended Petition.

WHEREFORE, Gulf Power Company respectfully requests the Commission to approve the projected environmental cost recovery amounts for the period January 2003 through December 2003 and the environmental cost recovery factors to be applied in customer billings

beginning with the period January 2003 through December 2003 consistent with this petition. If the Commission decides not to accelerate the depreciation/amortization expense for the Crist Units 1, 2 and 3, then the Company specifically requests that the Commission's order establish that the proper period over which to depreciate/amortize the remaining undepreciated balance for Crist Units 1-3 is through the otherwise scheduled retirement date for these units in 2011 and that the Company be relieved of the obligation to submit a new depreciation study for the entire Crist Plant within 90 days of the consummating order in Docket No. 020943-EI, as well as such other relief as is just and reasonable under the circumstances.

Dated the 2th day of November, 2002.



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Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost Recovery)
Clause)
_____)

Docket No. 020007-EI

Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing has been furnished
this 7th day of November 2002 by U.S. Mail or hand delivery to the following:

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