

**Susan D. Ritenour**  
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and Regulatory Manager

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October 14, 2003

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. 030002-EG

Enclosed are an original and ten copies of the Prehearing Statement 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 Microsoft Word for Windows format as prepared on a Windows NT based computer.

Sincerely,

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

lw

Enclosure

cc: Beggs and Lane  
J. A. Stone, Esquire

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery            )  
Clause    )           Docket No.        030002-EG  
  )           Date Filed: October 15, 2003  
  )

**PREHEARING STATEMENT 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-00-0951-PCO-EG and Rule 25-22.038(3), Florida Administrative Code, files this prehearing statement, saying:

**A. APPEARANCES:**

JEFFREY A. STONE, Esquire, and RUSSELL A. BADDERS,  
Esquire, of Beggs & Lane, P.O. Box 12950, Pensacola, FL  
32591-2950  
On behalf of Gulf Power Company.

B. WITNESSES: All witnesses known at this time, who may be called by Gulf Power Company, along with the subject matter and issue numbers which will be covered by the witness' testimony, are as follows:

<u>Witness</u> <u>(Direct)</u>	<u>Subject Matter</u>	<u>Issues</u>
1. Angela T. Carter	True-up; components of Gulf's conservation plan and associated costs; projections and program results	1, 2, 3

C. EXHIBITS:

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
(ATC-1)	Carter	Schedules CT-1 through CT-6
(ATC-2)	Carter	Schedules C-1 through C-5

D. STATEMENT OF BASIC POSITION

Gulf Power Company's Statement of Basic Position:

It is the basic position of Gulf Power Company that the proposed ECCR factor presents the best estimate of Gulf's Conservation expense for the period January 2004 through December 2004, including the true-up calculations and other adjustments allowed by the Commission.

E. STATEMENT OF ISSUES AND POSITIONS

**Generic Energy Conservation Cost Recovery Issues**

**ISSUE 1:** What is the final end-of-period true-up amount for the period January 2002 through December 2002?

**GULF:** Over recovery \$493,581. (Carter)

**ISSUE 2:** What are the appropriate conservation cost recovery factors by customer class for the period January 2004 through December 2004?

**GULF:** See table below:

<b>RATE CLASS</b>	<b>CONSERVATION COST RECOVERY FACTORS ¢/KWH</b>
RS, RSVP	0.076
GS	0.075
GSD, GSDT, GSTOU	0.070
LP, LPT	0.067
PX, PXT, RTP, CSA	0.064
OSI/II	0.056
OSIII	0.066
OSIV	0.056
SBS	0.064

(Carter).

**ISSUE 3:** What should be the effective date of the conservation cost recovery factors for billing purposes?

**GULF:** The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2004 through December 2004. Billing cycles may start before January 1, 2004, and the last cycle may be read after December 31, 2004, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Carter)

F. STIPULATED ISSUES

GULF: Yet to be determined. Gulf is willing to stipulate that the testimony of all witnesses whom no one wishes to cross examine be inserted into the record as though read, cross examination be waived, and the witness's attendance at the hearing be excused.

G. PENDING MOTIONS:

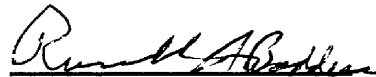
GULF: None.

H. OTHER MATTERS:

GULF: To the best knowledge of counsel, Gulf has complied, or is able to comply, with all requirements set forth in the orders on procedure and/or the Commission rules governing this prehearing statement. If other issues are raised for determination at the hearings set for November 12-14, 2003, Gulf respectfully requests an opportunity to submit additional statements of position and, if necessary, file additional testimony.

Dated this 14th day of October, 2003.

Respectfully submitted,



**JEFFREY A. STONE**  
Florida Bar No. 325953

**RUSSELL A. BADDERS**  
Florida Bar No. 007455

**Beggs & Lane**  
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Pensacola, FL 32591-2950  
(850) 432-2451

**Attorneys for Gulf Power Company**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery )  
\_\_\_\_\_ )

Docket No. 030002-EG

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 14th day of October 2003 to the following:

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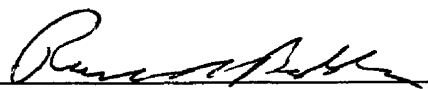
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