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Public Service Commission

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August 18, 2006

STAFF'S FIRST DATA REQUEST

Susan D. Ritenour  
Gulf Power Company  
One Energy Place  
Pensacola, FL 32520

Jeffrey A. Stone  
Beggs and Lane Law Firm  
P. O. Box 12950  
Pensacola, FL 32591-2950

**Re: DATA REQUEST. Docket Number 060001, Fuel and purchased power cost recovery clause with generating performance incentive factor.**

Dear Ms. Ritenour and Mr. Stone:

Pursuant to an agenda conference held on August 15, 2006 regarding a petition by Florida Power and Light to recover storage of natural gas through the fuel clause, several questions were raised regarding treatment of costs associated with the storage of fuel. In an effort to obtain a complete understanding of the appropriate method of treatment of these costs associated with the storage of natural gas, we are asking that each investor owned utility provide us with information regarding its treatment of on and off site storage of all fuels (except nuclear). By this letter, the Commission staff requests that Gulf provide responses to the following set of data requests:

- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
- RCA \_\_\_\_\_
- SCR \_\_\_\_\_
- SGA \_\_\_\_\_
- SEC 1 \_\_\_\_\_
- OTH \_\_\_\_\_

1. Please list all natural gas storage facilities where Gulf has firm capacity commitments and for each facility state the amount of Gulf's firm capacity commitment.

2. Please provide a complete copy of each contract for natural gas storage at each facility listed above.

3. When did Gulf begin using natural gas storage on a firm basis?

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4. Please state all fees and charges that Gulf pays for natural gas storage. Provide copies for the last six months of any invoice, statement, or bill of sale which sets out the fees and charges paid for natural gas storage.
5. For each fee or charge listed above, does Gulf recover that fee or charge: in the fuel clause; as a part of base rates; or by some other recovery mechanism. For each item listed as being recovered through the fuel clause, please include Gulf's rationale or justification for including the charge in the fuel adjustment clause.
6. Are there any charges for natural gas storage that Gulf does not charge to the fuel adjustment clause?
7. For each fee or charge that Gulf pays for natural gas storage service and that is recovered through the fuel clause, how is the fee or charge reported in the A schedules?
8. For each charge that a storage facility charges to Gulf for storage services, how was the charge reported in the projected testimony used to set the fuel factor in 2005 and 2006?
9. Does Gulf pay for base gas at any of its gas storage facilities? Please explain.
10. Does Gulf provide its own base gas for any storage facility it uses?
11. For each fossil fuel Gulf burns, at what point in the transportation chain does it take ownership?
12. For each fossil fuel, at what points in the transportation chain is the fuel considered fuel inventory of Gulf?
13. For each fossil fuel, if fuel storage is utilized, indicate whether there is fuel stored both on-site and off-site.
14. For off-site storage, identify which costs of storage are recovered through the fuel clause and which costs are recovered through base rates. For any fee or charge recovered through the fuel clause, state the utility's rationale for recovery of those costs through the fuel clause as opposed to base rates. When providing the rationale please cite applicable rules or orders.

15. For on-site storage, identify which costs of storage are recovered through the fuel clause and which costs are recovered through base rates. For any fee or charge recovered through the fuel clause, state the utility's rationale for recovery of these costs through the fuel clause as opposed to base rates. When providing the rationale please cite applicable rules or orders.

16. If fuel carrying costs are applicable to any fuel kept in storage, indicate whether these costs are recovered through the fuel clause or base rates. Is there a difference in treatment of carrying costs on fuel stored on-site vs. off-site? What is your rationale for any recovery of fuel inventory carrying cost through the fuel clause?

17. What is Gulf's definition of physical hedging? Please provide examples.

Please provide a response to these data requests by August 25, 2006. If you have any questions, please contact me at (850) 413-6230.

Sincerely,



Lisa C. Bennett  
Attorney

LCB:jb

cc: All Parties of Record  
Charles Beck – Office of Public Counsel  
Jack Shreve – Attorney General's Office  
Shef Wright – Florida Retail Federation  
Tim Perry – Florida Industrial Power Users Group  
Mike Twomey – AARP  
Division of the Commission Clerk and Administrative Services (Docket file)  
Division of Economic Regulation (Lester,)  
Division of Regulatory Compliance and Consumer Assistance (Vandiver)