GULF POWER COMPANY

Before the Florida Public Service Commission

Supplemental Direct Testimony of

James I. Thompson

In Support of Interim Rate Relief

Docket No. 110138-EI

Date of Filing: July 8, 2011

Q. Please state your name, address, and occupation.

A. My name is Jim Thompson, and my business address is One Energy Place, Pensacola, Florida 32520. I am employed by Gulf Power Company (Gulf or the Company) as Supervisor of Pricing and Load Research.

Q. Are you the same Jim Thompson who has prefiled direct testimony in this docket in connection with Gulf Power’s request for rate relief?

A. Yes.

Q. What is the purpose of this supplemental direct testimony?

A. The purpose of this supplemental direct testimony is to describe the rates Gulf proposes to use to achieve the requested interim revenue requirements, an increase of $38,549,000.

Q. Are you sponsoring any Minimum Filing Requirements (MFRs) related to the request for interim rate relief?

A. Yes. These are listed in Schedule 1 of my Exhibit JIT-2. The information contained in these MFRs is true and correct to the best of my knowledge and belief.

Q. How do you propose to implement the interim rate request?

A. The increase amount of $38,549,000 was provided to me by Gulf Witness McMillan. He has also provided me with the overall base rate percentage increase factor represented by this requested increase, which is 8.882 percent. The interim revenue increase is achieved by adjusting all base rate components of all rates by this percentage, so that all customers would experience the same percentage increases in their base rate bills. This method is also consistent with FPSC Rule No. 25-6.0435.

Q. Have you prepared the tariff sheets necessary to implement this interim increase?

A. Yes. The tariff sheets necessary to implement the interim increase are attached as Schedule 2 of Exhibit JIT-2.

Q. Does this conclude your supplemental direct testimony?

A. Yes.

AFFIDAVIT

STATE OF FLORIDA ) Docket No. 110138-EI

 )

COUNTY OF ESCAMBIA )

 Before me the undersigned authority, personally appeared

James I. Thompson, who being first duly sworn, deposes, and says that he is the

Supervisor of Pricing and Load Research of Gulf Power Company,

a Florida corporation, and that the foregoing is true and correct to the best of his knowledge, information, and belief. He is personally known to me.

The signed original affidavit is attached to the

 original testimony on file with the FPSC

 s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 James I. Thompson Supervisor of Pricing and Load Research

 Sworn to and subscribed before me this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2011.

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Notary Public, State of Florida at Large

Commission No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

My Commission Expires \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Witness: James I. Thompson

Exhibit No. \_\_\_\_ (JIT-2)

Schedule 1

Page 1 of 1

**Responsibility for Minimum Filing Requirements**

Schedule Title

A – 5 Interim Revenue Requirements Bill Comparison –

 Typical Monthly Bills

G – 20 Interim – Revenue From Sale of Electricity By Rate Schedule

G – 21 Interim – Revenue From Service Charges

G – 22 Interim – Base Revenue By Rate Schedule Calculations

G – 23 Interim – Revenue By Lighting Schedule Calculations

# Florida Public Service Commission

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#  Exhibit No. \_\_\_ (JIT-2)

#  Schedule 2

#  Page 1 of 16

**Proposed Interim Tariff Sheets**

Proposed Interim Tariff Sheets consisting of ( 16 ) pages, including this cover sheet.