

Park, Jun K.

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**From:** Folsom, Kenneth Lawrence  
**Sent:** Tuesday, August 14, 2012 11:23 AM  
**To:** Armstrong, Mary Catherine  
**Subject:** RE: Outdoor Lighting Questions

Yes to both of your questions...thanks!

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**From:** Armstrong, Mary Catherine  
**Sent:** Tuesday, August 14, 2012 10:48 AM  
**To:** Folsom, Kenneth Lawrence  
**Subject:** RE: Outdoor Lighting Questions

Thanks!

For (3) below....first, we were both talking about Commercial OS-III (not Industrial, like I incorrectly typed), right? It sounds like from your response, that the issue that created the need for the reduction was unique to last year, so we do not need to continue this reduction of 0.5% for this year. Do you agree?

Thanks!

Mary Catherine Armstrong  
Market Analyst  
850.444.6569

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**From:** Folsom, Kenneth Lawrence  
**Sent:** Tuesday, August 14, 2012 8:39 AM  
**To:** Armstrong, Mary Catherine  
**Subject:** RE: Outdoor Lighting Questions

See my answers below...

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**From:** Armstrong, Mary Catherine  
**Sent:** Monday, August 13, 2012 5:27 PM  
**To:** Folsom, Kenneth Lawrence  
**Subject:** FW: Outdoor Lighting Questions

Hey Kenny,

Have you had a chance to look at this?

Mary Catherine Armstrong  
Market Analyst  
850.444.6569

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**From:** Armstrong, Mary Catherine  
**Sent:** Thursday, August 09, 2012 10:58 AM  
**To:** Folsom, Kenneth Lawrence  
**Subject:** Outdoor Lighting Questions

Hey Kenny,

Thanks for taking the time to talk with us the other day.

I had a few questions that came up that I was hoping you could help us with:

- (1) For Industrial OS I/II it looks like energy has been growing since early 2011, with 1.5% growth in 2012 over 2011. YTD July is also 18% over budget. Do you expect this to continue? Did you want us to include an annual growth rate for this rate?  
**[Kenny's reply]** In March of 2012 we corrected one Industrial OSI/II account that increased revenue in this class approximately 20%. The current usage can be projected for budget, but I would not change the forecasted growth rate.
- (2) Were you able to determine what was causing the decrease in Commercial OS BB for 2012?  
**[Kenny's reply]** The Lamar PV billboard accounts were being established through the year last year. All of these are now net zero billing and this decrease is a result of that. There may be a few more additional PV billboards set up, but this should not drastically affect revenue any further.
- (3) Were you able to find out anything about Industrial OS III?  
**[Kenny's reply]** The adjustment in OSIII last year was due to an audit in Okaloosa Co that identified numerous accounts not being billed, but also the accounts that were billed had been converted from incandescent to LED traffic signals. This resulted in a net decrease to OSIII.

Thanks!

Mary Catherine Armstrong  
Gulf Power Company • Market Analyst  
One Energy Place • Pensacola, FL 32520  
850.444.6569

