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July 24, 2014

Ms. Carlotta Stauffer, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Ms. Stauffer:

REDACTED

RE: Docket No. 140001-EI

Enclosed is Gulf Power Company's Request for Confidential Classification regarding Gulf's Risk Management Plan dated July 25, 2014.

Sincerely,

Robert L. McGee, Jr.
Regulatory and Pricing Manager

COM md
AFD Redacted Ex B
md c.d.
Enclosures
APA _____
ECO _____ cc: Beggs & Lane
ENG _____ Jeffrey A. Stone, Esq.
GCL _____
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TEL _____
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COMMISSION
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BEFORE THE PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost
recovery clause and generating performance
incentive factor

Docket No.:
Date filed:

140001-EI
July 25, 2014

REQUEST FOR CONFIDENTIAL CLASSIFICATION

GULF POWER COMPANY [“Gulf Power”, “Gulf”, or the “Company”], by and through its undersigned attorneys and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files its request that the Florida Public Service Commission enter an order protecting from public disclosure certain portions of Gulf Power’s Risk Management Plan for Fuel Procurement. As grounds for this request, the Company states:

1. Portions of Gulf Power’s Risk Management Plan for Fuel Procurement are entitled to confidential classification pursuant to section 366.093(3)(d) and (e), Florida Statutes, as information, the public disclosure of which could cause irreparable harm to the competitive interests of Gulf Power and the ability of Gulf to enter into contracts on terms favorable to it and its customers. The Risk Management Plan for Fuel Procurement contains, in a single resource, detailed information about Gulf’s fuel procurement strategy, including technology selection criteria, for the near term and into the future. Gulf Power and the other market participants for fuel, fuel transportation and fuel storage consider this detailed information to be competitively sensitive. The document discusses how Gulf manages its fuel procurement with specific details regarding Gulf’s fuel needs, market position, and trends it sees in those markets in which it addresses its fuel needs. In addition, the fuel procurement strategy utilized by Gulf is discussed in detail. Pricing information is also included in this document. Similar information is not made public by other fuel market participants. Making this information public would give these other

market participants a competitive advantage over Gulf which would prevent Gulf from procuring its fuel needs in a manner that secures the best price and terms for its customers.

2. The information filed pursuant to this Request is intended to be, and is treated as, confidential by Gulf Power and, to this attorney's knowledge, has not been otherwise publicly disclosed.

3. The Commission granted confidential classification for previous versions of Gulf Power Company's Risk Management Plan for Fuel Procurement in Florida Public Service Commission Order Nos. PSC-03-0032-CFO-EI, PSC-04-1056-CFO-EI, PSC 05-0700-CFO-EI, PSC-06-0636-CFO-EI, PSC-09-0284-CFO-EI, PSC-10-0189-CFO-EI, PSC-12-0452-CFO-EI and PSC-13-0541-CFO-EI.

4. Submitted as Exhibit "A" is a highlighted copy of Gulf Power's Risk Management Plan for Fuel Procurement. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two (2) edited copies of Gulf Power's Risk Management Plan for Fuel Procurement, which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a line-by-line/field-by-field justification for the request for confidential classification.

WHEREFORE, Gulf Power Company respectfully requests that the Commission enter an order protecting the information highlighted on Exhibit "A" from public disclosure as proprietary confidential business information.

Respectfully submitted this 24th day of July, 2014.

A handwritten signature in blue ink, appearing to read "Russell A. Badders", is written over a horizontal line.

JEFFREY A. STONE

Florida Bar No. 325953

RUSSELL A. BADDERS

Florida Bar No. 007455

STEVEN R. GRIFFIN

Florida Bar No. 627569

Beggs & Lane

P.O. Box 12950

Pensacola, FL 32591

(850) 432-2451

Attorneys for Gulf Power

BEFORE THE PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost
recovery clause and generating performance
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_____)

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Exhibit "A"

Provided to the Commission Clerk

under separate cover as confidential information.

Exhibit "B"

1 **GULF POWER**
2 **COAL PROCUREMENT STRATEGY FOR 2015**
3

4 **Coal Procurement Plan**

5 Based on burn forecast from the June update to the 2014 Energy Budget, the
6 Gulf Power Company program has an uncommitted need in 2015 of 500,000
7 tons. Coal burn remains depressed as a result of low natural gas pricing and
8 decreased loads. Our procurement plan below is based on the following
9 assumptions:
10

11 **Plant Crist**

- 12 • Short Term: Its current marginal fuel selection consists of a [REDACTED]
13 [REDACTED]
- 14 • Long term: Current plan is to continue to utilize [REDACTED] however,
15 in 2014 Crist will test [REDACTED]
16 for potential long-term use.

17 **Plant Smith**

- 18 • Short Term: Current marginal fuel selection is based on 100% CAPP
19 coal.
- 20 • Long Term: Smith is currently testing [REDACTED] and if successful,
21 there is potential for a transition to this fuel to occur in 2015.

22 **Plant Scholz**

- 23 • Short Term: Current marginal fuel selection is based on 100% IB coal.
24 • Long Term: The decision to retire Scholz in 2015 has been made.

25 This document lays out a tactical plan that will be implemented to secure coal for
26 2015 forward. The goal for 2015-2017 is to continue to commit to percentages

1 that conform to the Coal Procurement Strategy guidelines; however, the process
2 will continue to require a level of subjectivity in addressing volatility associated
3 with coal burn projections.

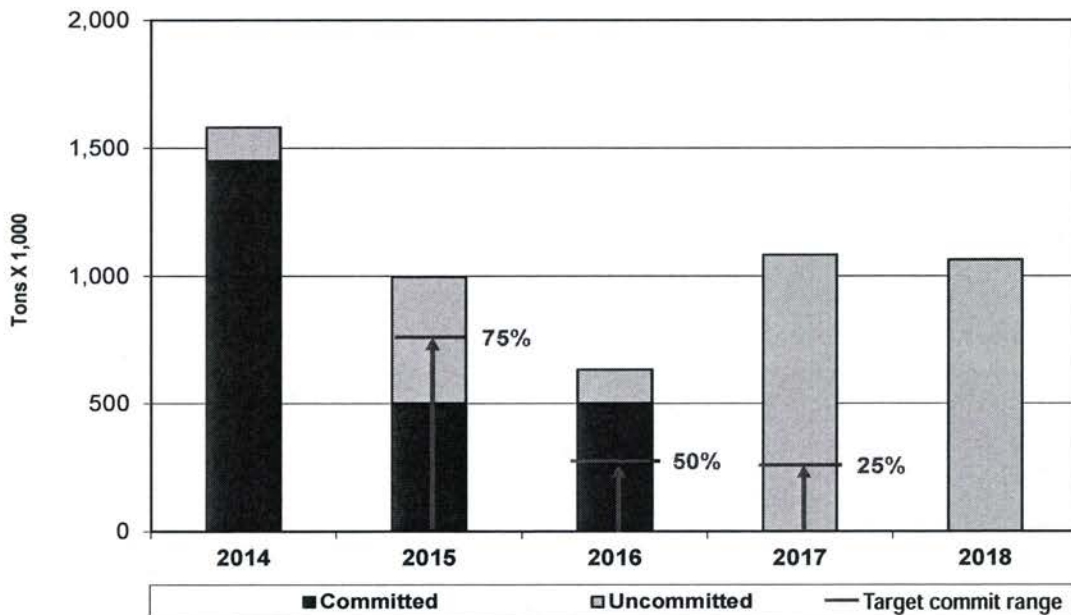
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5 **Plant Classification:**

6 The Gulf plants are forecasted to have capacity factors of [REDACTED] through
7 2017. To better understand the expected operations of Gulf's coal fleet, the
8 group's collective forecasted run hours were considered. An evaluation of when
9 this group of units is generating electricity provides insight into how coal
10 deliveries should be procured. We forecast Crist to have at least one unit on line
11 a majority of the time, whereas forecasts show very little runtime at Smith.

12

13 **State of the Program:**



Source: 2014 Energy Budget 2014-2017

1 **GULF POWER**
2 **COAL TRANSPORTATION STRATEGY FOR 2015**

3
4 **Transportation Program Overview**

5
6 **Plants Crist and Smith**

7 Crist and Smith have the ability to receive both import and domestic coal by
8 barge. Western coals can be transported by the Burlington Northern Santa Fe
9 Railway (BNSF) or Union Pacific Railroad (UP) to multiple terminals on the Ohio
10 and Mississippi rivers or via interchanges with the Canadian National Railway
11 (CN), Norfolk Southern (NS) or CSX Transportation Inc. (CSXT) to the Alabama
12 State Docks facility in Mobile, Ala., and then barged to the plants. Illinois Basin or
13 Central Appalachian coal can be transported by barge or by a combination of rail
14 and barge to these plants as well.

15
16 Eastern coal can be transloaded at the Alabama State Docks facility via
17 interchanges with the Canadian National Railway (CN), CSX Transportation Inc.
18 (CSXT), Alabama and Gulf Coast Railway (AGR), and Norfolk Southern (NS)
19 railroads. Import coal can be delivered by ocean vessel to the Alabama State
20 Docks for barge movement to the plants. Currently, Crist and Smith receive
21 Central Appalachian coal and Illinois Basin coal. Smith also has received some
22 western test coal.

23 NS agreement NS-9679 provides for rail transportation of the Alpha Coal Sales
24 Company, LLC coal to the Alabama State Docks through December 31, 2014.
25 The agreement has an annual minimum volume requirement of [REDACTED]

26

1 Appalachian coal is via the NS railroad through an interchange agreement with
2 the CN railroad.

3 UP agreement UP-55105 provides for rail transportation of Colorado coal to
4 Memphis in conjunction with CN-523746-AA for final delivery to Daniel through
5 December 31, 2014. The agreement has no annual minimum or maximum
6 volume requirement.

7 BNSF agreement BNSF-12677 provides for rail transportation of PRB coal to
8 Memphis, TN where BNSF interchanges with CN to deliver the PRB coal to
9 Daniel. The BNSF agreement expires December 31, 2014. The agreement has
10 no minimum volume requirements.

11 CN/MSE agreement CN-526887-AA provides for rail transportation of PRB and
12 Colorado coal from Memphis, TN to Daniel. The CN/MSE agreement expires
13 December 31, 2014. The agreement has no annual minimum volume
14 requirement.

15 It is anticipated that existing rail transportation agreements will be extended to
16 cover 2015 needs.

17

18 **Budget**

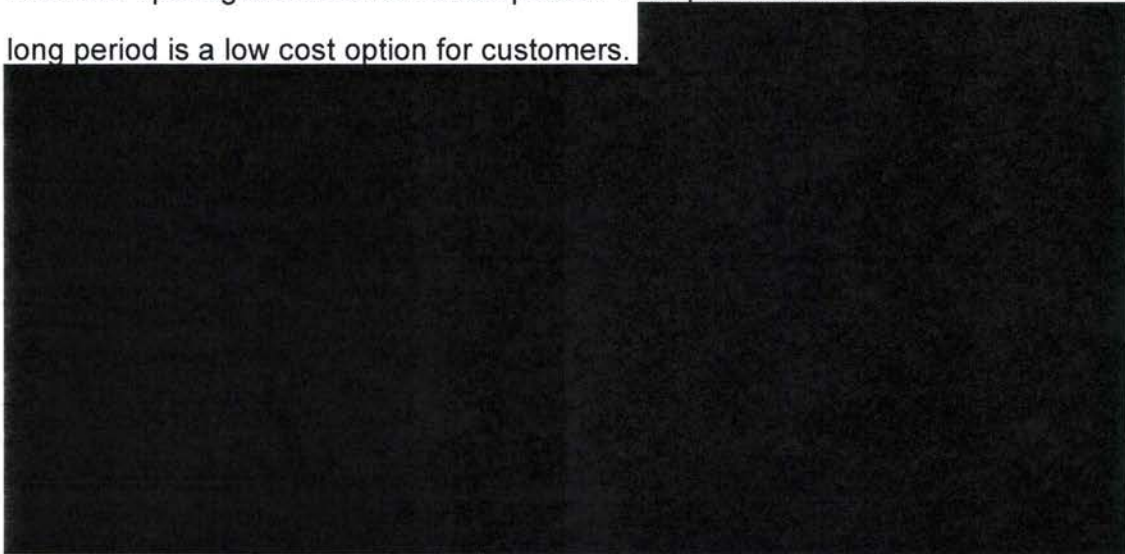
19 During the next 10 years, Gulf is budgeted to transport approximately 2-3 million
20 tons of coal per year. There is a decrease in transportation costs from 2014 to
21 2016 that is directly tied to the loss of burn during this period.

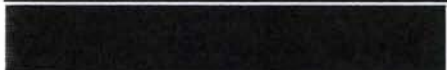
22 From 2015 to 2022, the majority of the uncommitted coal requirements are
23 projected to be met by purchasing a [REDACTED]

24 [REDACTED] The increase in transportation costs are directly related to the
25 increase of the volume of coal to be transported and changes related to the

1 **Procurement Strategy**

2 Gulf's strategy for gas procurement is to purchase the commodity using long
3 term and spot agreements at market prices. Fuel purchased at market over a
4 long period is a low cost option for customers.



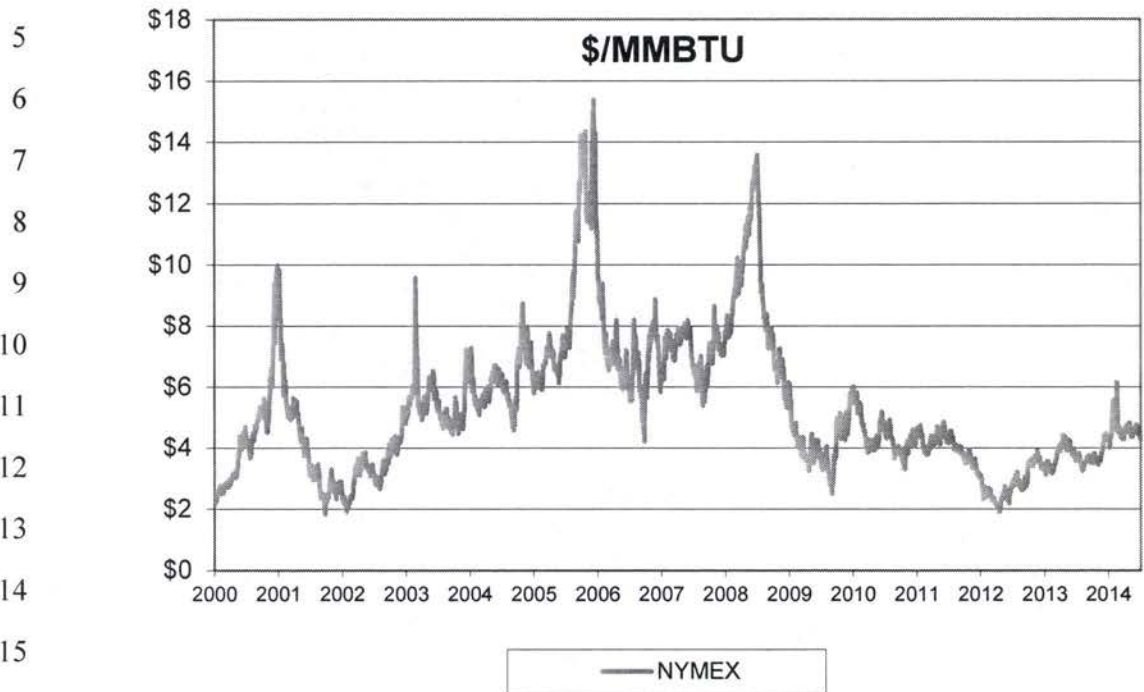
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13  For Gulf, spot-market contracts have a term of
14 less than one year and long-term contracts have a term of 1 year or longer. All
15 natural gas, regardless of whether it is bought under long-term contracts or spot-
16 market contracts, is purchased at market based prices. While fuel purchased at
17 market over long periods is a low cost option for customers, it does expose the
18 customers to short-term price volatility. Since these price fluctuations can be
19 severe, Gulf Power, at the direction of the Florida Public Service Commission,
20 will attempt to protect its customers against short-term price volatility by utilizing
21 hedging tools. It is understood that the cost of hedging will sometimes lead to
22 fuel costs that are higher than market prices but that this is a reasonable trade-off
23 for reducing the customers' exposure to fuel cost increases that would result if
24 fuel prices actually settle at higher prices than when the hedges were placed.

25
26

1 The following graph of actual natural gas prices is an indication of price volatility
2 in the gas commodity market:

3

4 **Historical Natural Gas Prices - NYMEX**



16 **Pricing Strategy**

17 Gulf Power will continue to purchase gas, both under long-term and spot
18 contracts at market based prices. However, pursuant to Commission order, Gulf
19 Power will financially hedge gas prices for some portion, generally between [REDACTED]
20 [REDACTED] percent of Gulf Power's projected annual gas burn for the current year, in
21 order to protect against short-term price swings and to provide some level of
22 price certainty. This [REDACTED] percent hedge range allows Gulf Power to provide
23 a degree of price certainty and protection against short-term price swings while
24 still allowing the customers to participate in markets where natural gas prices are
25 low. Gulf Power will secure natural gas hedges over a time period not to exceed
26 60 months, per the following schedule:

1	Period	Lower Target Hedge %	Upper Target Hedge %
2	Prompt Year (2015)		
3	Year 2 (2016)		
4	Year 3 (2017)		
5	Year 4 (2018)		
6	Year 5 (2019)		

7 **Note: The annual hedge percentage is based on the budgeted annual gas burn**

8

9 Although SCS will target the levels shown in the table above, SCS may
10 accelerate or decelerate the plan accordingly based on market conditions. Gulf's
11 hedging targets are expressed on an annual basis due to the potential for large
12 variances in month to month gas consumption. The monthly variance in gas
13 burn is due to Gulf's units being dispatched on an economic basis with the other
14 generating units in the Southern electric system and the impact of unit outages
15 on Gulf's total gas burn.

16

17 SCS, working in partnership with Gulf Power, develops short-term hedge
18 strategies based on current and projected market conditions.

19 [REDACTED]

20 [REDACTED]

21 [REDACTED] SCS will employ both
22 technical and fundamental analysis to determine appropriate times to hedge.
23 However, the objective is not to speculate on market price or attempt to outguess
24 or "beat the market". Gulf will utilize fixed priced swaps as its primary financial
25 gas price hedging instrument but may also utilize options when appropriate. As a
26 result of market conditions, Gulf recently has been utilizing Collars as a hedging

1 tool. A Collar is an option-based hedging tool that allows Gulf to protect its
2 customers from upward price swings while at the same time increasing the
3 benefit to the customer should the current low-price market conditions persist.

4
5 While the hedging program will protect the customer from short-term price
6 spikes, hedges can also lead to higher costs when natural gas prices fall
7 subsequent to entering hedges. Gulf Power will limit the amount of fixed-price
8 hedges to a maximum of [REDACTED] percent of the projected fuel burn for the upcoming
9 year. In addition, Gulf Power will limit option priced hedges to [REDACTED] percent of its
10 projected burn.

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1 III. Business Objectives

2 The Approved Business Objectives for the trading activities performed by
3 Authorized Individuals are defined in Appendix A.

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5 IV. Business Strategies

6 The business objectives are achieved by entering into transactions involving the
7 approved commodities shown in Appendix B.

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20 Various contract types or financial instruments will be used to achieve the
21 Approved Business Objectives. The Approved Risk Management Instruments
22 are listed in Appendix C. SCS Risk Control must be consulted before the
23 execution of any Approved Risk Management Instruments that have not been
24 previously used, including combinations of instruments not previously used.
25 SCS Risk Control must ensure that the requirements set forth in this RMP can
26 be followed with respect to those instruments.

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1 V. Authorizations

2 Appendix D contains the individuals, boards, and committees authorized to
3 carry out various activities, reviews, and approvals.

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5 VI. Segregation of Duties

6 The following functions are separated to ensure that the risk management
7 activities are properly carried out:

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19 Appendix E shows the organizational separation of function required by this
20 RMP. The following is a summary of the responsibilities of the different
21 functions:

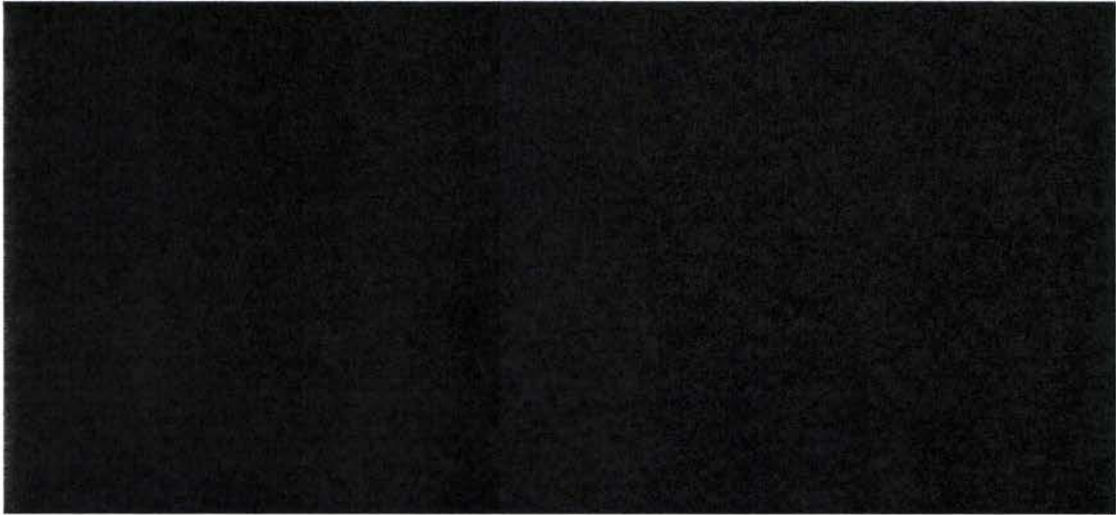
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23 Origination, Structuring, and Execution: The functions of origination, structuring, and
24 execution include the following responsibilities:

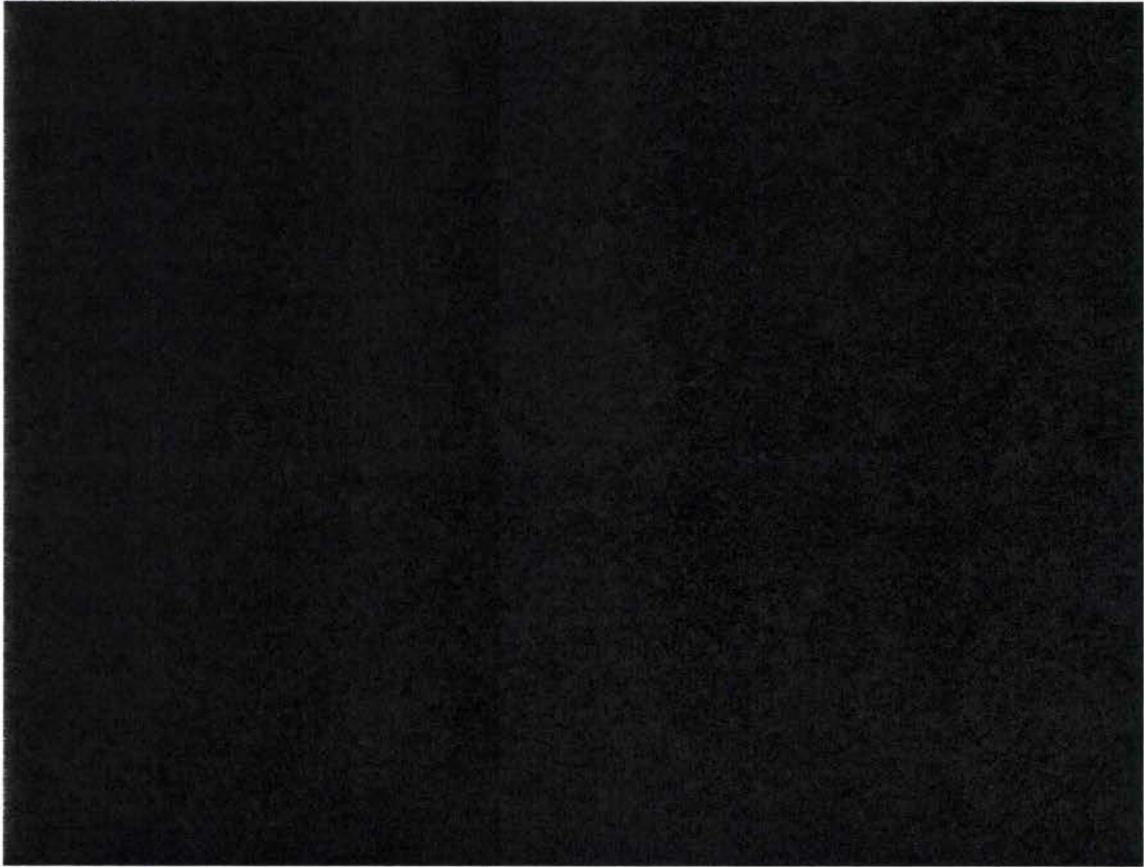
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Confirmation, Monitoring, Reporting and Disclosure: The functions of trade confirmation, risk monitoring, risk reporting, and disclosure include the following responsibilities:

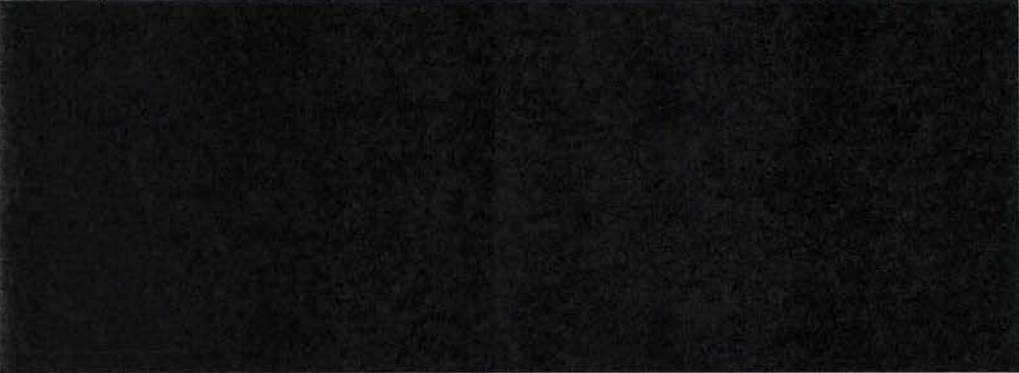


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Settlement: The function of settlement includes the following responsibilities:



Cash Management: SCS Treasury is responsible for receiving and disbursing all funds from or to counterparties and for the delivery of margin / collateral requirements. SCS Treasury will also be responsible for investment of collateral provided by counterparties.

Accounting: SCS Accounting is responsible for posting transactions to the general ledger and reconciling the subledgers to the general ledger.

VII. Market Risk Identification



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1 VIII. Market Risk Measurement and Valuation

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19 IX. Market Risk Limits

20 Exposure Limits

21 The maximum exposure limit for each business objective should not exceed the
22 limits specified in Appendix H.

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24 Notifications

25 Certain notifications to management are required as defined in Appendix G.

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1 Volumetric Position Limits Volumetric Position limits as defined by the Commodity
2 Futures Trading Commission (CFTC), will be monitored and reported as necessary,
3 according to CFTC rules.

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5 X. Credit Risk

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17 XI. New Products

18 Structured transactions and new products may be developed from time to time that
19 contain new risks or require new infrastructure support. The responsibilities
20 associated with the approval of each structured transaction and new product include
21 the following:

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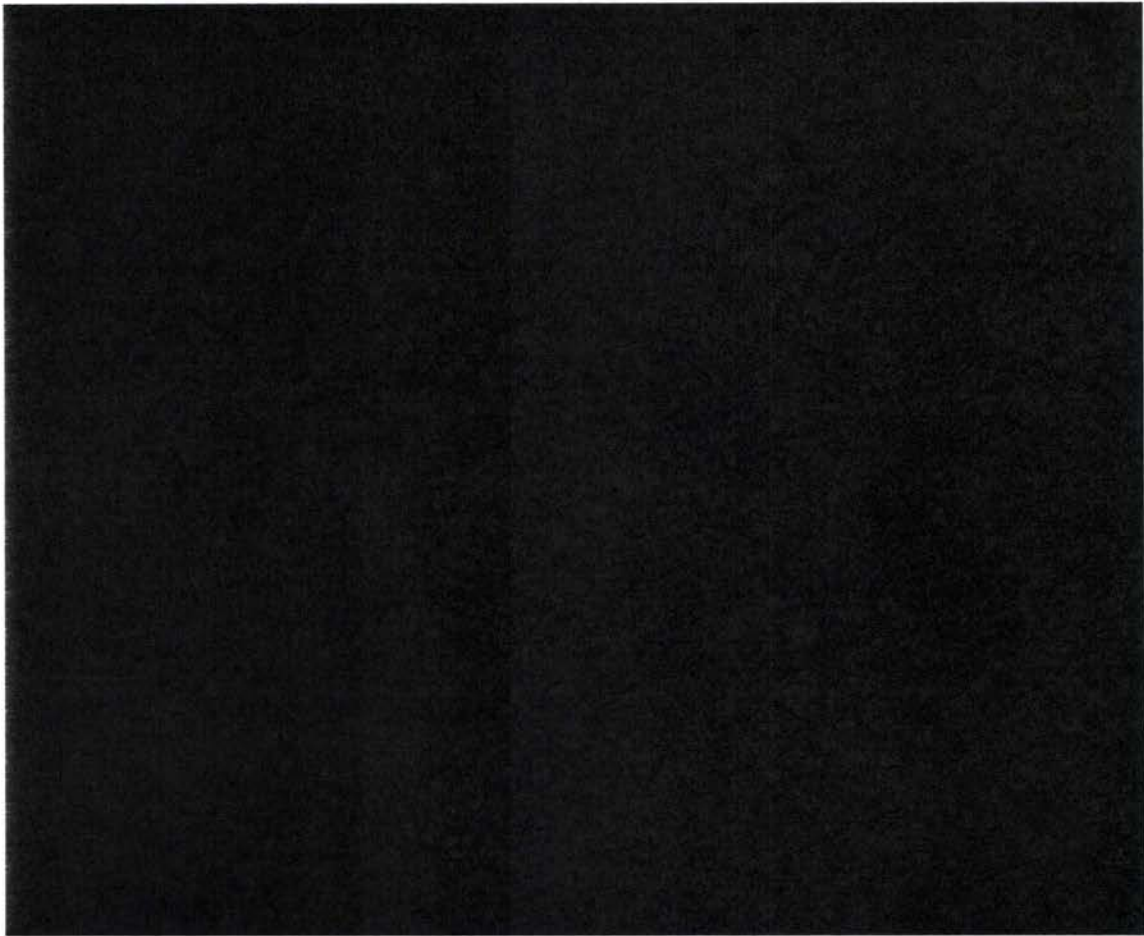
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XII. Funding Liquidity



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1 XIII. Operating Procedures and Systems

2 Processes.

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7 Recording Transactions.

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14 Contract Administration.

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1 Operating Procedures.

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6 XIV. Accounting, Tax, and Regulatory Reporting

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22 XV. Legal

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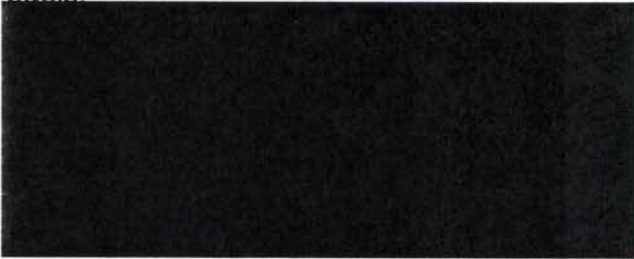
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XVI. Monitoring and Reporting

SCS Risk Control personnel will calculate and report the following items on a daily basis:



The Portfolio Management group will prepare regular position reports. The Energy Analysis group will report preliminary gross margins or P&L on a daily basis.

XVII. Personal Trading

All employees whose activities are governed by this RMP as defined in Section XIX are prohibited from trading any approved commodity for their own account or for the benefit of any party except as specifically authorized as part of the individual's duties with the Company.

XVIII. Business Recovery



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1 XIX. Compliance

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17 XX. Independent Review

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1 XXI. Policy Amendments

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18 XXII. Terminology

19 Definitions of terminology used in this RMP are contained in Appendix L.

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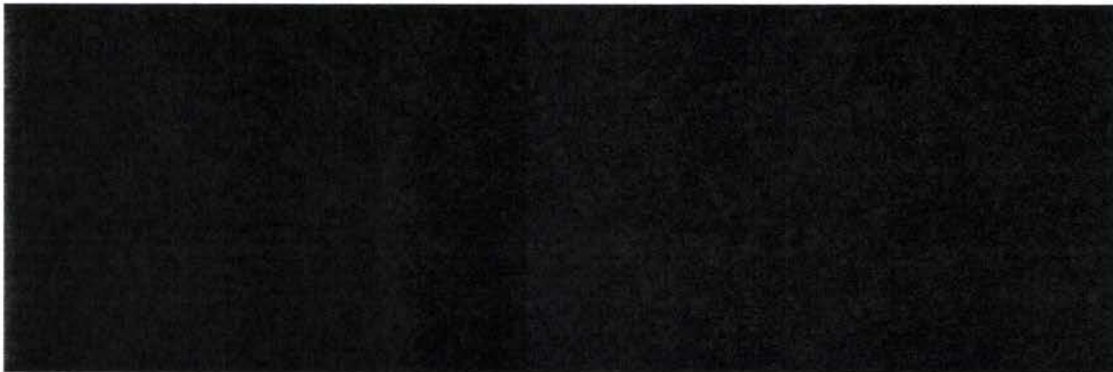
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APPENDIX A
APPROVED BUSINESS OBJECTIVES

Fleet Operations and Trading

The primary objectives of Fleet Operations and Trading are to:



In addition to the primary objectives, Fleet Operations and Trading may execute secondary activities as limited by Appendix H to achieve the following secondary objectives to the extent permitted by all applicable policies and regulations:



Any Primary or Secondary Strategies that would require clearing and / or posting of margin must be approved by the Risk Advisory and Controls Committee prior to execution.

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1 Southern Power Company Trading & Asset Management

2 The primary objectives of the SPC Trading and Asset Management activities are the
3 following:

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10 In addition to the primary objectives, SPC Trading & Asset Management may
11 execute secondary activities as limited by Appendix H to achieve the following
12 secondary objectives to the extent permitted by all applicable policies and
13 regulations (including, but not limited to the IIC and Separation Protocol):

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25 All SPC Secondary Strategies must be approved by the SPC Chief Financial Officer
26 and the SPC Chief Commercial Officer.

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1 Any SPC Primary or Secondary Strategies that would require clearing and / or
2 posting of margin must be approved by the SPC Chief Financial Officer and the SPC
3 Chief Commercial Officer.

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5 Natural Gas Fulfillment Function

6 The primary objectives of the Natural Gas Fulfillment Function are to:

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17 Secondary activities of the natural gas fulfillment function are restricted to positions
18 intended to hedge secondary power positions, and which have been requested by
19 Fleet Operations and Trading or SPC Trading & Asset Management.

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21 Environmental Products Management Function

22 The primary objectives of the Environmental Products Management Function are to:

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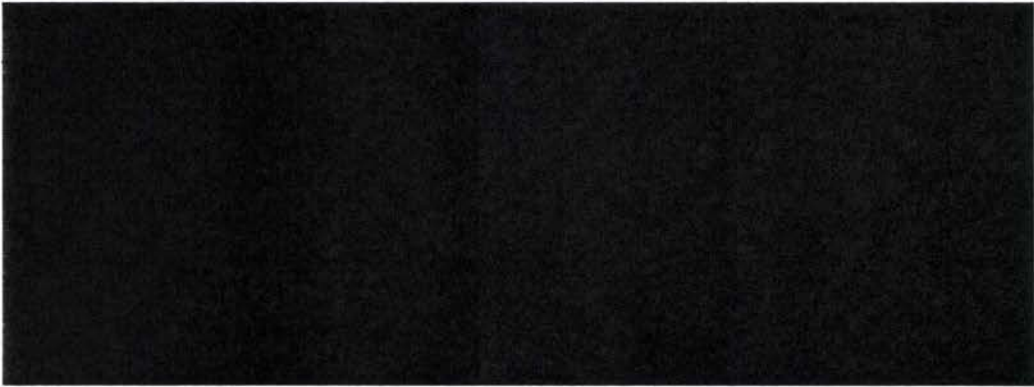
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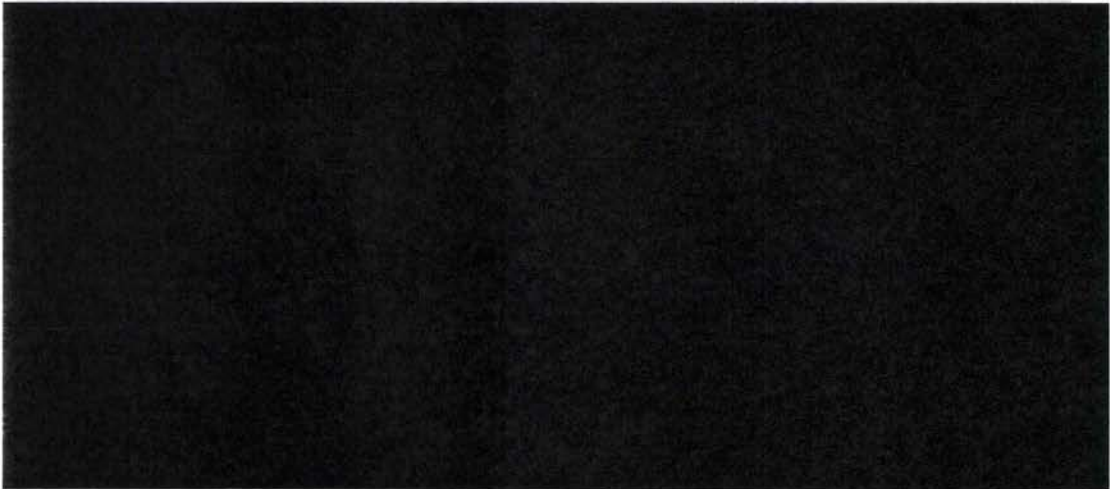
7 Secondary activities of the Environmental Products Management Function are
8 restricted to positions intended to hedge secondary power positions, and which have
9 been requested by Fleet Operations and Trading or SPC Trading & Asset
10 Management.

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12 Coal Fulfillment Function

13 The primary objectives of the Coal Fulfillment Function are to:

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24 Secondary activities of the Coal Fulfillment Function are restricted to positions
25 intended to hedge secondary power positions, and which have been requested by
26 Fleet Operations and Trading or SPC Trading & Asset Management.

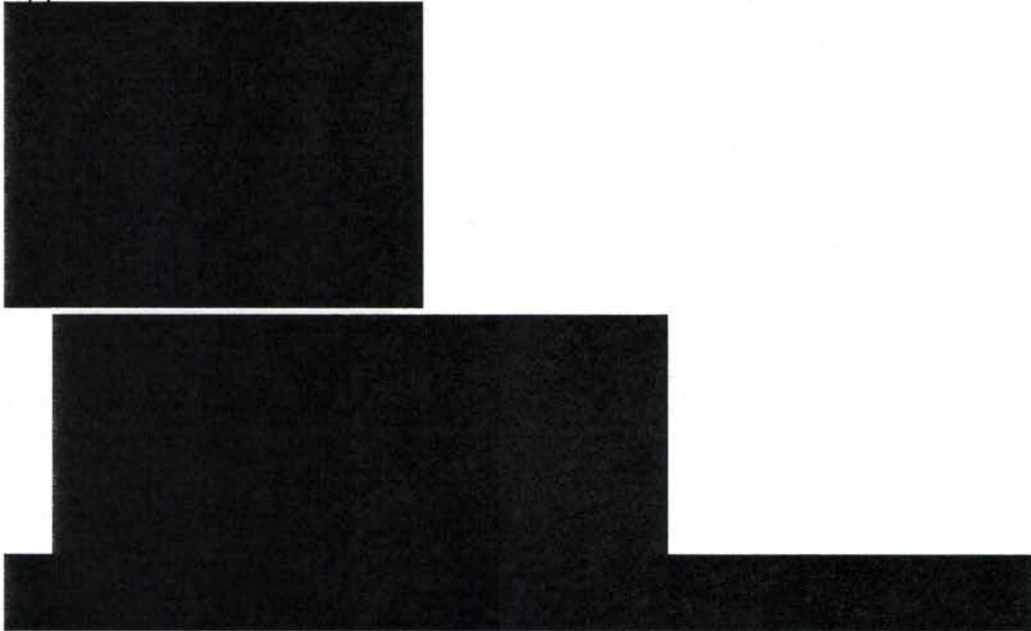
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APPENDIX B

APPROVED COMMODITIES

The approved commodities for this RMP are:

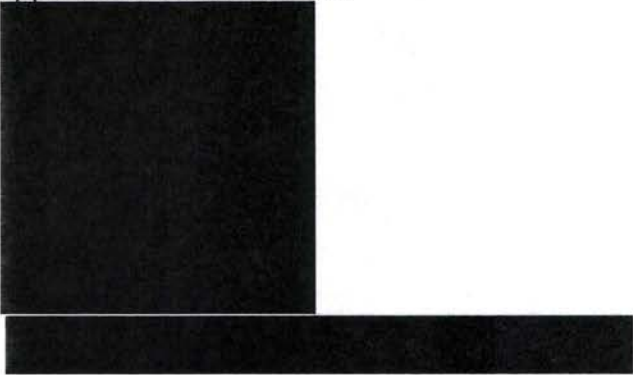


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APPENDIX C
APPROVED INSTRUMENTS

The approved instruments are:



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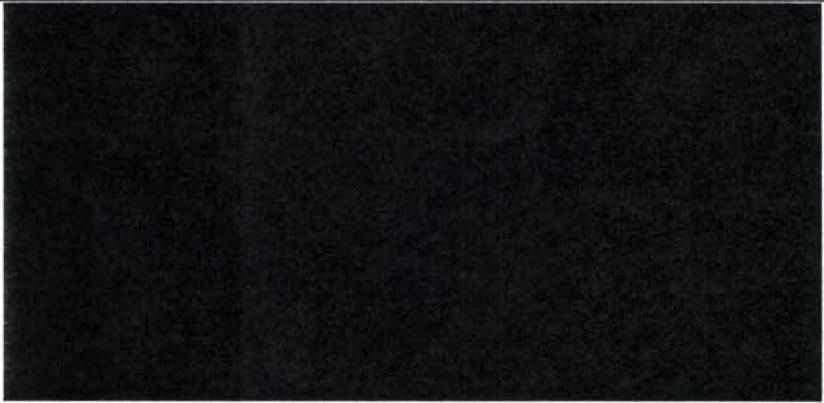
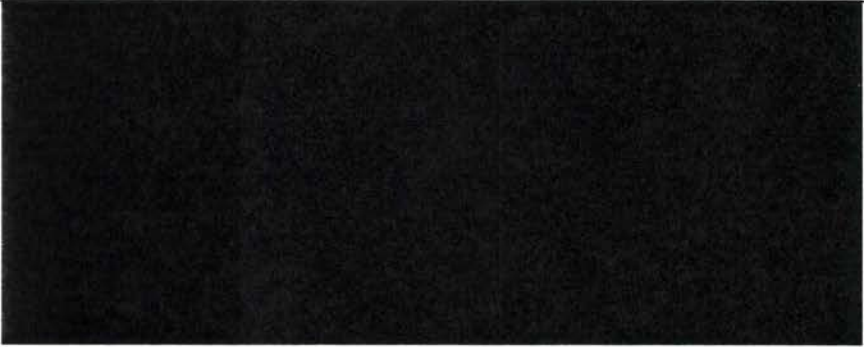
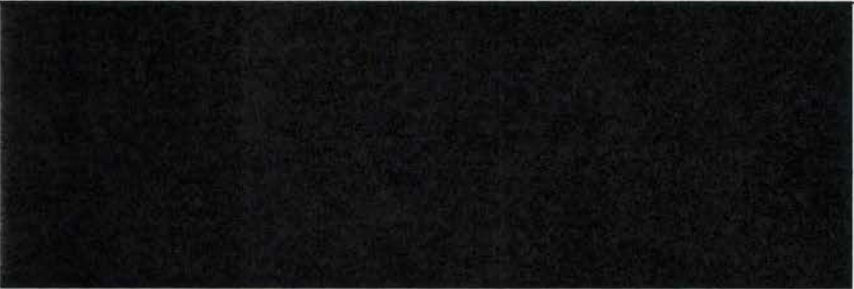
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APPENDIX D

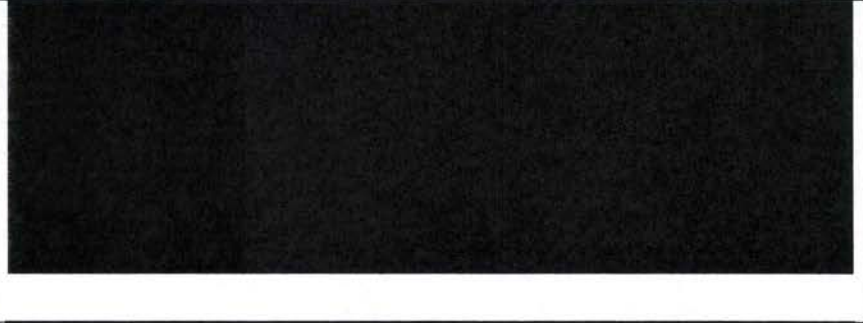
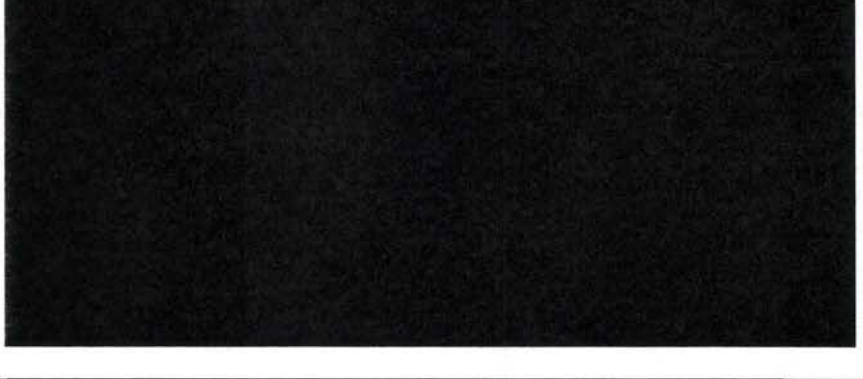
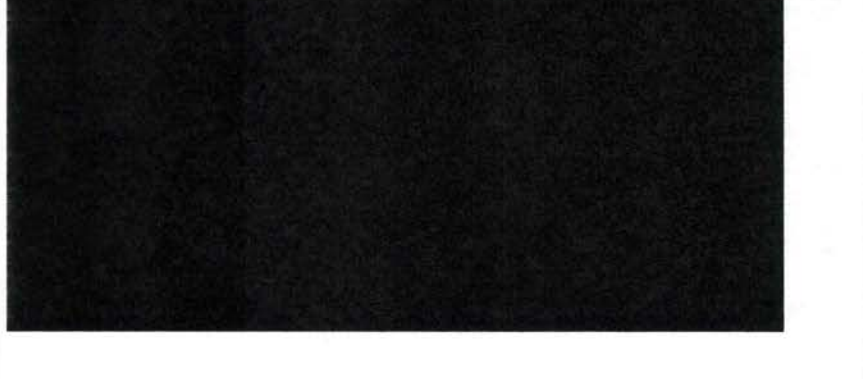
3

AUTHORIZATIONS

Name	Authority
Southern Company Risk Oversight Committee (SROC)	
Generation Risk Oversight Committee (GROC)	
Southern Power Risk Oversight Committee (SPROC)	

4

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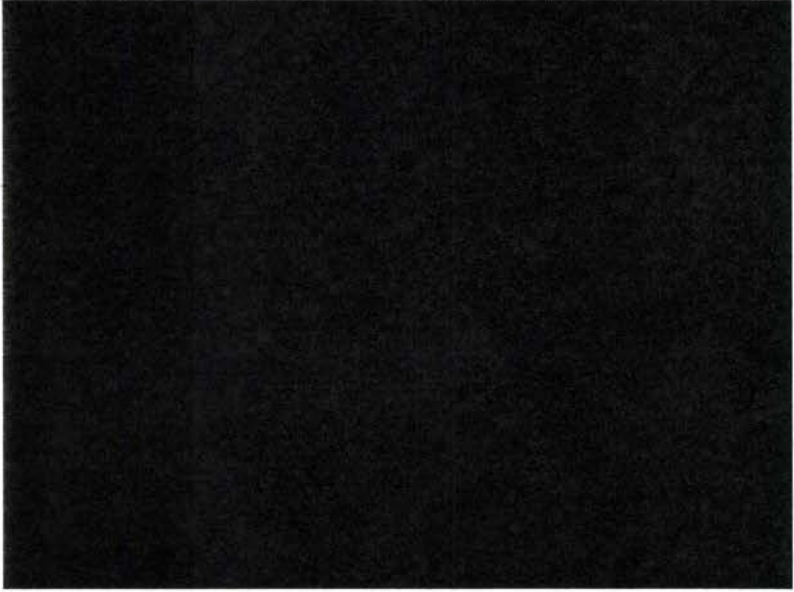
Risk Advisory and Controls Committee (RACC)	
Southern Company Generation Energy Credit Committee (ECC)	
Manager, Risk Control	

1

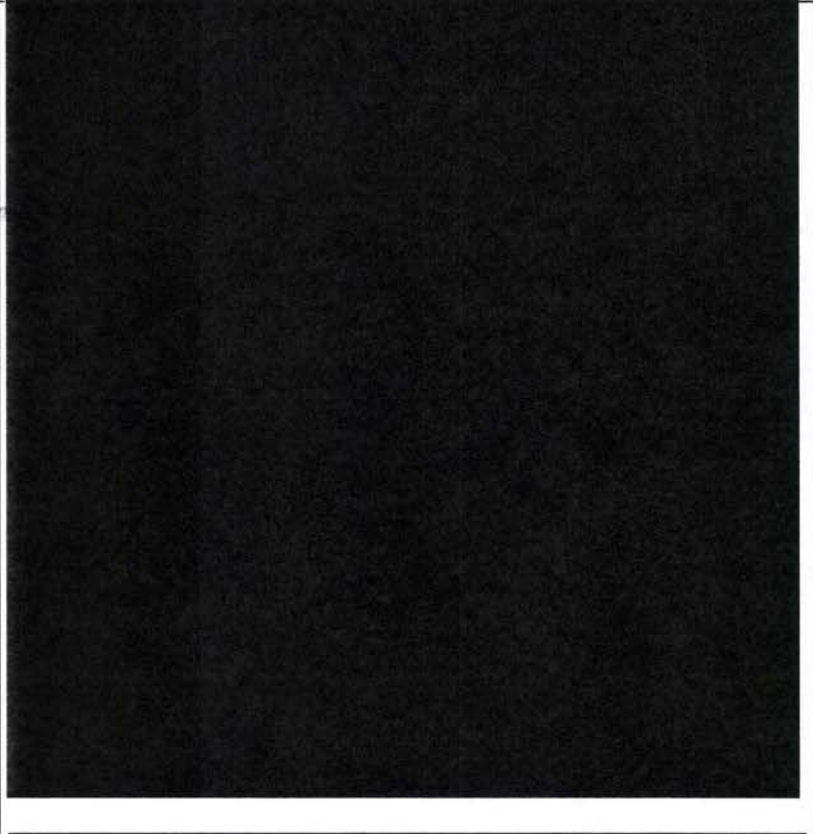
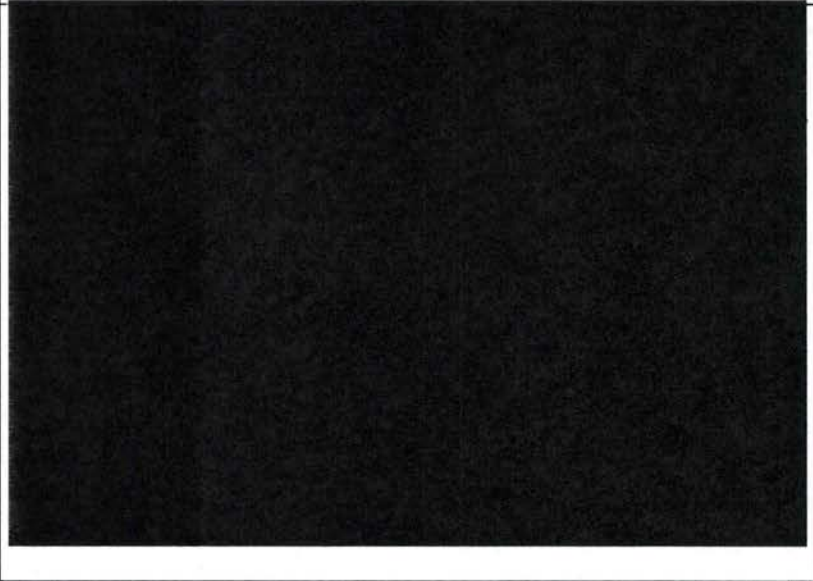

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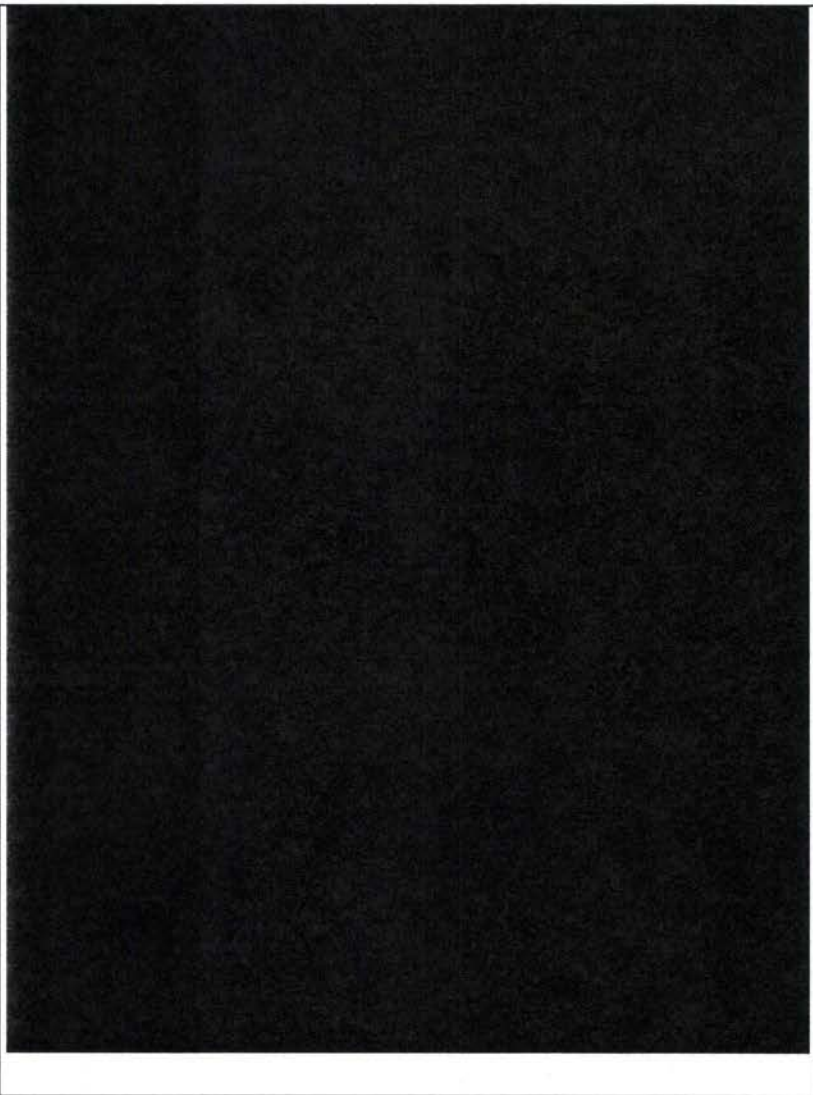
APPENDIX D
AUTHORIZATIONS (continued)
Energy Marketing

Name	Authority
Vice President, Commercial Operations & Services	

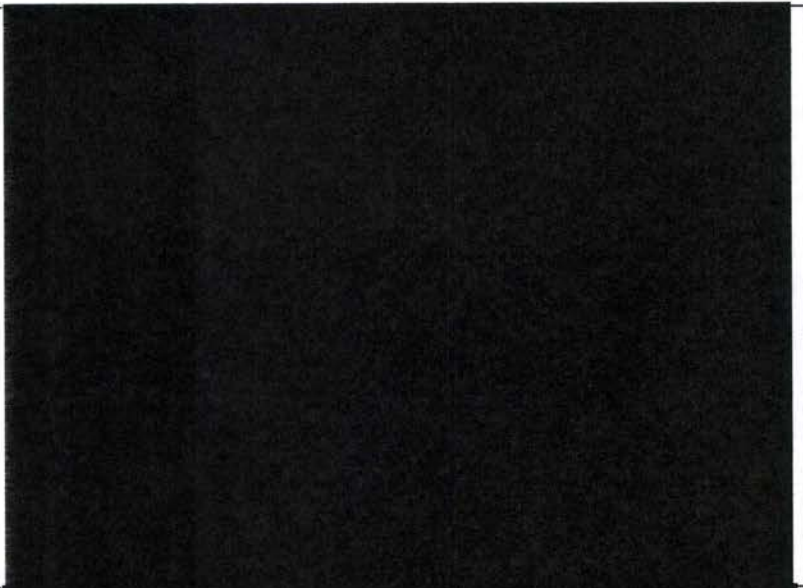

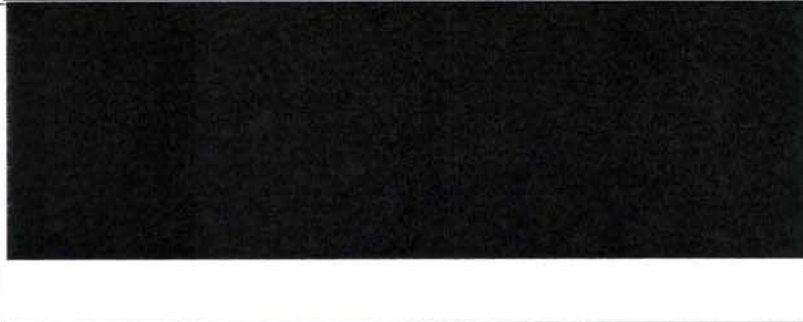

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<p>Vice President, Chief Commercial Officer, SPC</p>	
<p>Sr. Vice President, Chief Financial Officer, SPC</p>	
	

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Energy Trading Manager	
------------------------	---

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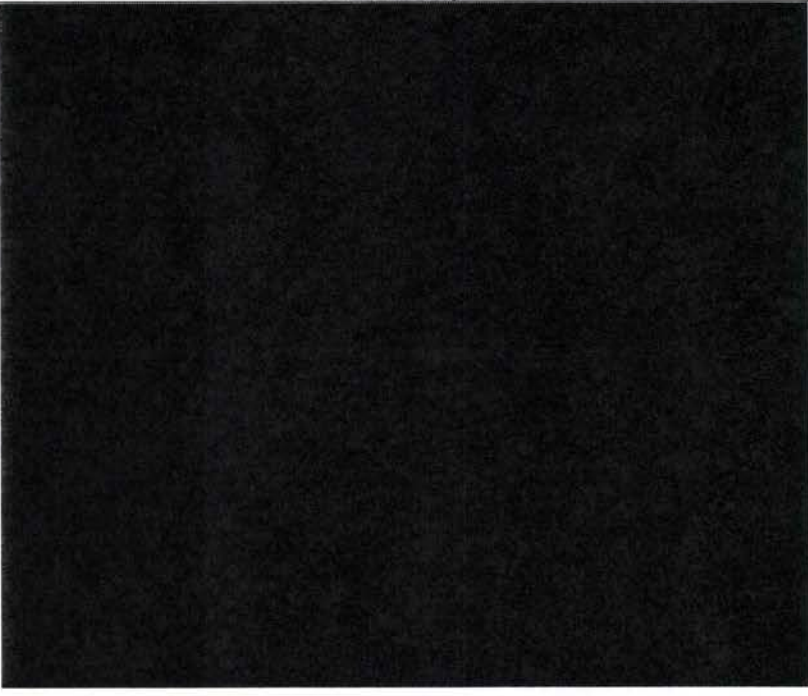


Manager, SPC Trading and Asset Management	
Term Traders	
Energy Coordinators	
Transmission Project Coordinators and Energy Schedulers	

1

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APPENDIX D
AUTHORIZATIONS (continued)
SCS Fuel Services

Name	Authority
Vice President, Fuel Services	
Gas Services Director	
Gas Operations Manager	

5

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Gas Trading Manager	[REDACTED]
Natural Gas Trader - Physical	[REDACTED]
Natural Gas Trader - Financial	[REDACTED]
Natural Gas Schedulers	[REDACTED]
Coal Services Director	[REDACTED]

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APPENDIX F
 MARKET RISK MEASUREMENT

Approved Commodities	
Electrical Power	
Natural Gas	
Coal Environmental Products Oil Products RECs	

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Parametric VaR Methodology

Formula Components

Component	Symbol	Comments
Value at Risk	VaR	See Equation Below
Position	PSN	Given in Applicable Measurement Units

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Daily Standard Deviation of Price Change	ΔP	Given in \$/Applicable Measurement Units
Holding Period – Business Days	HP	Taken From Parameters Table Shown Below
Confidence Interval Multiplier	CI	For Example: CI = 1.65 for 95-% Confidence Interval

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Equation

$$\text{VaR} = \text{PSN} * \Delta P * \text{Square Root of HP} * \text{CI}$$

ParametersCommodity	Holding Period (HP)	Multiplier (CI)
Electric Power Term <= 1 Year Term > 1 Year	■	■
Natural Gas Term <= 1 Year Term > 1 Year	■	■

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Price Return Distribution	[REDACTED]
Holding Period	[REDACTED]
Extreme Event Threshold	[REDACTED]

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4 **Ad Hoc Stress Testing**

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6 Ad hoc stress testing will be performed as appropriate based on price scenarios
7 determined using alternative methods including, but not limited to, the following:

- 8 • specific historical scenarios;
- 9 • rating agency defined price changes;
- 10 • analysis of out-of-the money option trading; and
- 11 • subjectively determined price changes.

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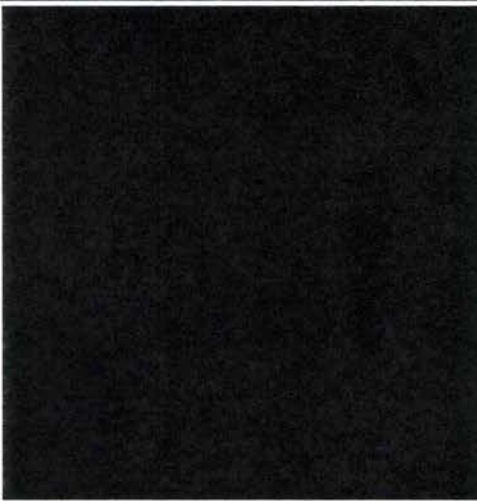

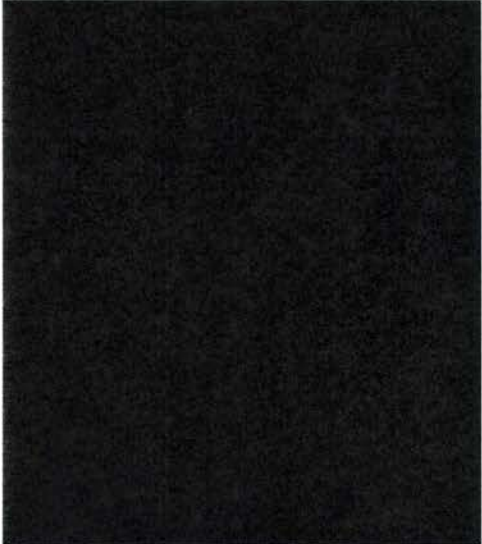
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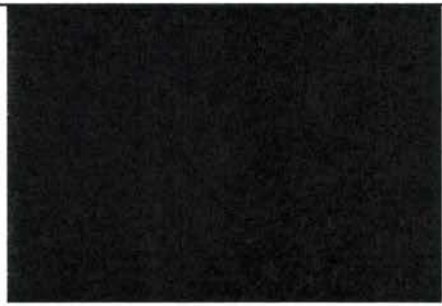



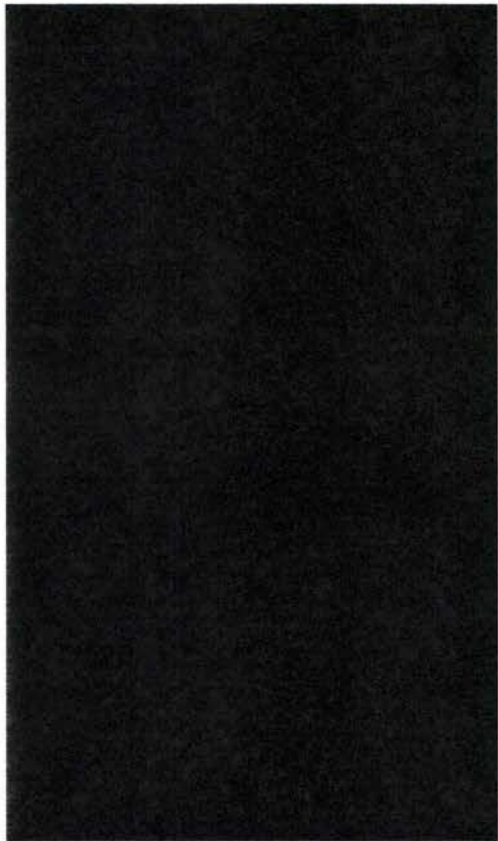
APPENDIX G

NOTIFICATION LEVELS

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Position Classification	Income Change	Notify
Secondary Objectives		
Secondary Objectives		

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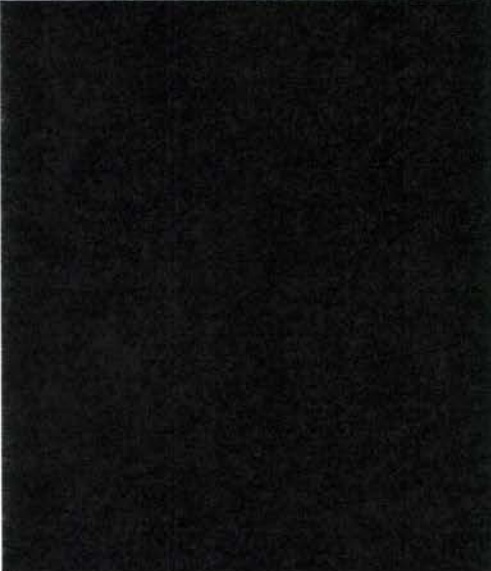


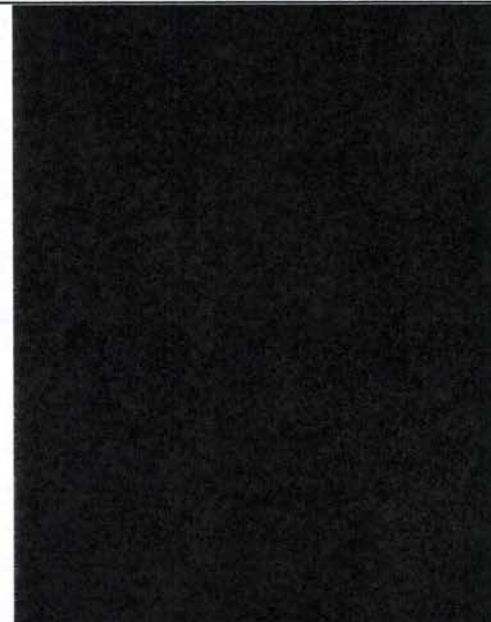
		
Secondary Objectives	  	

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APPENDIX G
 NOTIFICATION LEVELS

Position Classification	Income Change	Notify
All positions with mark-to-market changes immediately reflected in income (both primary and secondary activities)	 	
All positions with mark-to-market changes immediately reflected in income (both primary and secondary activities)	 	

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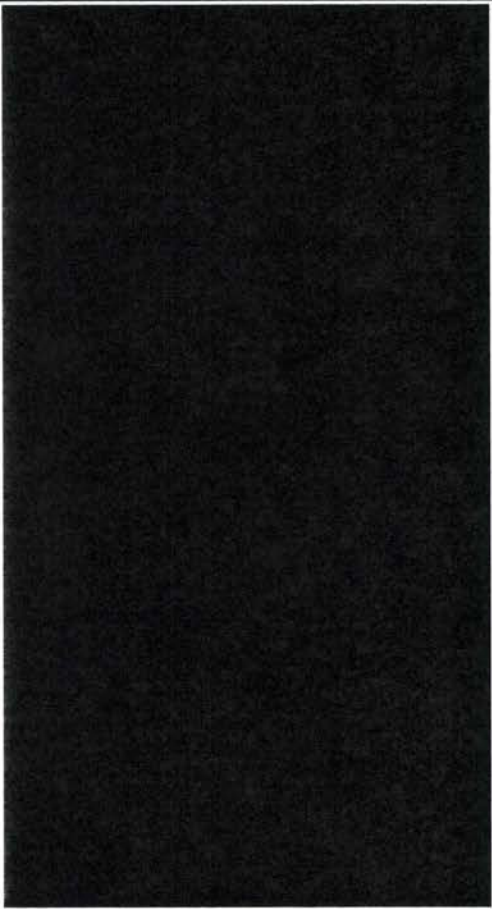
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APPENDIX G
NOTIFICATION LEVELS




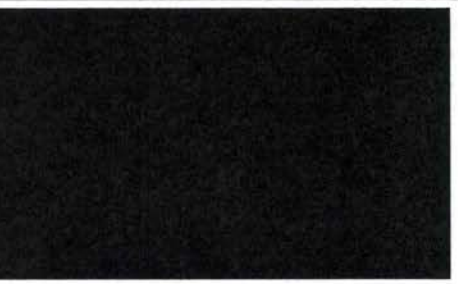

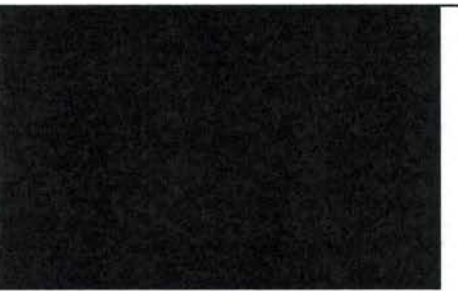
Position Classification	Value-at-Risk	Notify
All positions, except hedges associated with a commission approved program which provides for its own limits and/or cost recovery		

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APPENDIX G
NOTIFICATION LEVELS

Position Classification	Income Change	Notify
SPC Secondary Objectives		
SPC Secondary Objectives		
SPC Secondary Objectives		

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Position Classification	Income Change	Notify
All SPC positions with mark-to-market changes immediately reflected in income		
All SPC positions with mark-to-market changes immediately reflected in income		

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Position Classification	Value-at-Risk	Notify
All SPC positions		

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APPENDIX H
MARKET RISK LIMITS

Net Open Position Limits

		Value -at- Risk Limit
		
Secondary Activities		
All positions with marked-to-market changes immediately reflected in income		

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NOTE: Although the value-at-risk limit applies to positions marked to market through income, VaR is calculated and monitored for all positions, and there are notification requirements as defined in Appendix G.

If such open position limits are exceeded, SCS Risk Control will calculate and equitably allocate the responsibilities to bring the positions back into compliance.

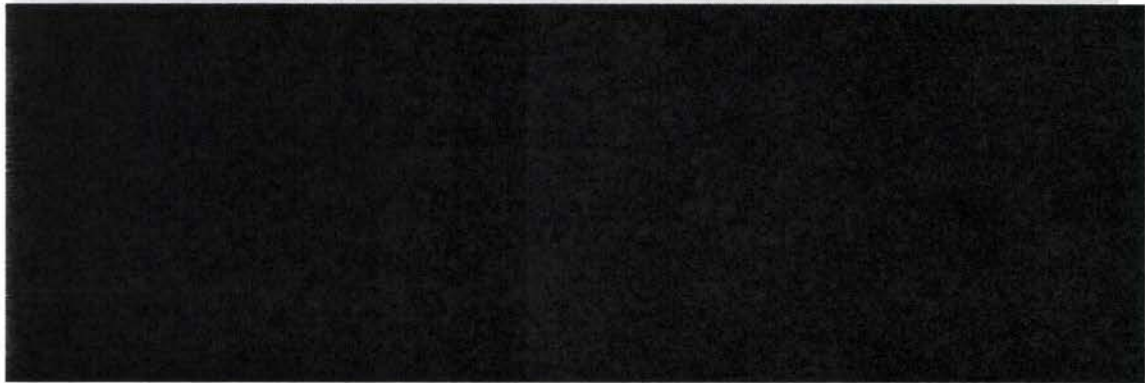
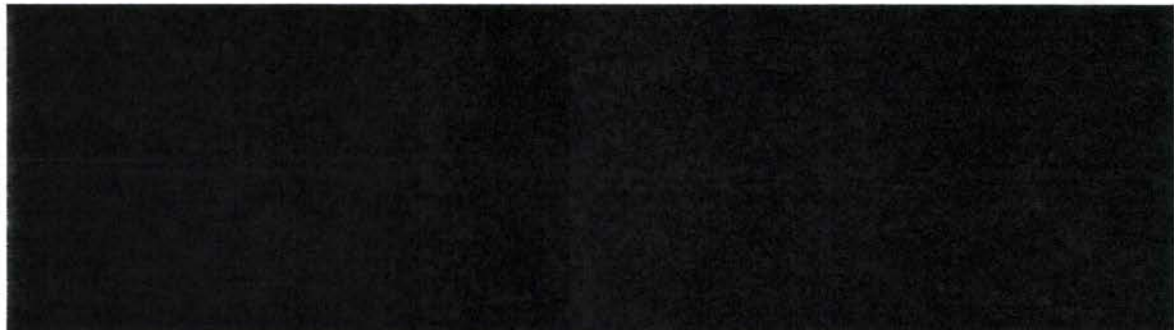
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APPENDIX J

ACCOUNTING AND TAX

FASB Accounting Standards Codification (“ASC”) 815 Derivatives and Hedging, ASC 820 Fair Value Measurements and related GAAP standards are the primary pronouncements addressing hedge accounting and provides guidance for exchange-traded contracts .



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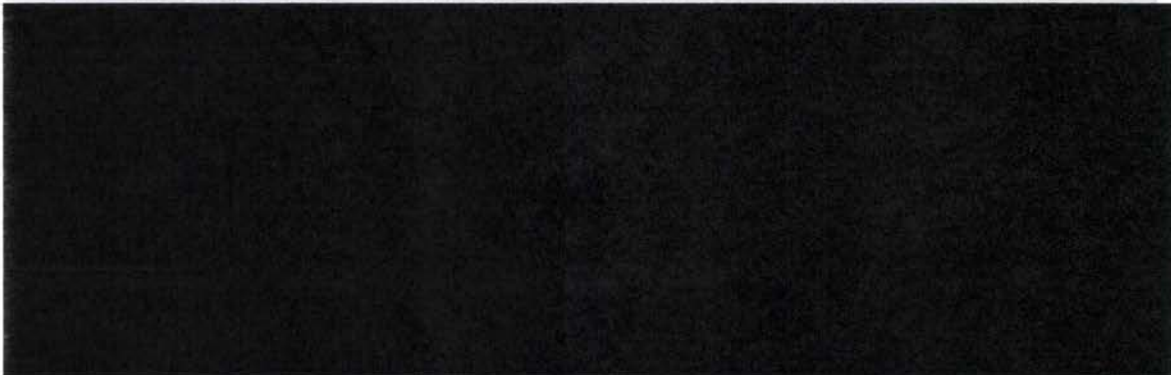
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Exhibit “C”: Line-by-Line/Field-by-Field Justification

<u>Line(s)/Field(s)¹</u>	<u>Justification</u>
Page 3 of 86 Lines 12 through 15 Line 20	The information delineated in Exhibit “C” is entitled to confidential classification pursuant to §366.093(3)(d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 1.
Page 4 of 86 Line 6	
Page 6 of 86 Line 25	
Page 8 of 86 Lines 23 through 24	
Page 13 of 86 Lines 4 through 13	
Page 14 of 86 Lines 19 through 20 Line 22	
Page 15 of 86 Lines 1 through 6 (table) Lines 18 through 21	
Page 16 of 86 Lines 8 through 9	
Page 27 of 86 Lines 9 through 13 Lines 15 through 18	

¹ Page number references correspond with the page numbers printed in the bottom center of each page.

Page 28 of 86 Lines 9 through 13 Lines 15 through 17 Line 25	The information delineated in Exhibit "C" is entitled to confidential classification pursuant to §366.093(3)(d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 1.
Page 29 of 86 Lines 1 through 8 Lines 13 through 26	
Page 30 of 86 Lines 1 through 3 Lines 6 through 11 Lines 22 through 26	
Page 31 of 86 Lines 2 through 4 Lines 6 through 7 Lines 9 through 11 Lines 13 through 17	
Page 32 of 86 Lines 6 through 15 Lines 22 through 26	
Page 33 of 86 Lines 1 through 15 Lines 18 through 23	
Page 34 of 86 Lines 2 through 5 Lines 7 through 12 Lines 14 through 25	
Page 35 of 86 Lines 1 through 4 Lines 7 through 20 Lines 23 through 26	

Page 36 of 86 Lines 1 through 4 Lines 9 through 12 Lines 24 through 26	The information delineated in Exhibit "C" is entitled to confidential classification pursuant to §366.093(3)(d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 1.
Page 37 of 86 Lines 2 through 9 Lines 11 through 15 Lines 18 through 23	
Page 38 of 86 Lines 2 through 16	
Page 39 of 86 Lines 8 through 13 Lines 19 through 22	
Page 40 of 86 Lines 5 through 8 Lines 15 through 23	
Page 41 of 86 Lines 8 through 15 Lines 23 through 26	
Page 42 of 86 Lines 1 through 6 Lines 15 through 22	
Page 43 of 86 Lines 5 through 14	
Page 44 of 86 Lines 5 through 10	
Page 45 of 86 (Table)	

Page 46 of 86 (Table)	The information delineated in Exhibit "C" is entitled to confidential classification pursuant to §366.093(3)(d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 1.
Page 47 of 86 (Table)	
Page 48 of 86 (Table)	
Page 49 of 86 (Table)	
Page 50 of 86 (Table)	
Page 51 of 86 (Table)	
Page 52 of 86 (Table)	
Page 55 of 86 (Table)	
Page 56 of 86 (Table)	
Page 58 of 86 (Table)	
Page 59 of 86 (Table)	
Page 60 of 86 (Table)	

Page 61 of 86 (Table)	The information delineated in Exhibit "C" is entitled to confidential classification pursuant to §366.093(3)(d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 1.
Page 62 of 86 (Table)	
Page 63 of 86 (Table)	
Page 65 of 86 (Table)	
Page 66 of 86 (Table)	
Page 67 of 86 (Tables)	
Page 77 of 86 Lines 9 through 13 Lines 15 through 20 Lines 22 through 24	
Page 78 of 86 Lines 1 and 2 Lines 4 through 5 Lines 7 through 12 Lines 14 through 19	

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: **Fuel and Purchased Power Cost**)
Recovery Clause with Generating)
Performance Incentive Factor)

Docket No.: **140001-EI**

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by overnight mail this 24th day of July, 2014 to the following:

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