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STATE OF FLORIDA

COMMISSIONERS: JULIE I. BROWN, CHAIRMAN LISA POLAK EDGAR ART GRAHAM RONALD A. BRISÉ JIMMY PATRONIS



GENERAL COUNSEL (850) 413-6199

Public Service Commission

March 10, 2016

Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin, Esq. Beggs & Lane P.O. Box 12950 Pensacola, Florida 32591 FIRST STAFF DATA REQUEST

Re: Docket No. 160039-EI – In re: Petition for Gulf Power Company for approval of regulatory asset related to the retirement of Plan Smith Units 1 and 2.

Dear Mr. Stone:

By this letter Commission staff requests that Gulf Power Company (Gulf) provide responses to the following data requests within 20 days of the date of this data request:

Please refer to Exhibit A of Gulf's petition filed in this docket and Gulf's Depreciation Annual Status Report filed in April 2015 (ASR-2015) for the following questions.

- 1. In the ASR-2015, for Account "Plant" under the category titled "Smith Plant," Gulf reported \$176,520,811 as the Plant in Service Balance as of 12/31/2014; and \$95,901,422 as the Accumulated Provision for Depreciation as of 12/31/2014. Please update these two figures as of 12/31/2015.
- 2. Please explain the differences between Account "Plant" under the category titled "Plant Smith" in ASR-2015 and the accounts/items listed in column "Description" in Exhibit A of the instant petition.
- 3. For each dollar amount listed in Exhibit A in columns A, B and D, please explain how it was determined.
- 4. For each dollar amount listed in Exhibit A in columns A, B and D, please identify the source account(s) in ASR-2015.
- 5. Referring to Exhibit A, please identify the major assets included in "Production Common" and "Smith Steam Prod Step-up," respectively.
- 6. Please identify the total amount of the petitioned regulatory asset.

PSC Website: http://www.floridapsc.com

Internet E-mail: contact@psc.state.fl.us

- 7. Please provide the estimates for the following cost/salvage by plant, which are associated with the retirement of Plant Smith Units 1 and 2:
 - a. Cost of removal
 - b. Net salvage
 - c. Dismantlement Cost
- 8. Please explain whether the dollar amounts discussed in No. 7 have been included in the amount identified in No. 6. Explain why or why not.
- 9. Please provide a list of all the environmental compliance devices, controls, and systems that are associated with the operation of Plant Smith Units 1 and 2.
- 10. Please identify the items listed in response to No. 9 that Gulf intends to retire with Plant Smith Units 1 and 2.
- 11. Please identify the retirement costs and remaining net book value of the items listed in response to No. 10 and whether those amounts are included in Exhibit A of the petition. For items that are not included in Exhibit A, please explain how Gulf intends to recover the associated costs.
- 12. Please explain how Gulf intends to recover the costs associated with items listed in its response to No. 9 that Gulf does not intend to retire with Plant Smith Units 1 and 2.
- 13. In its petition, the Company states that the requested deferral to a future proceeding is contemplated by the Stipulation and Settlement Agreement (Stipulation) approved in Order No. PSC-13-0670-S-EI. Please cite the specific language in the Stipulation that the Company is relying on as justification for the requested deferral related to the retirement of Plant Smith Units 1 and 2.

Please file all responses electronically no later than Wednesday, March 30, 2016, on the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please contact me if you have any questions at (850) 413-6218.

Very truly yours,

/s/ Suzanne Brownless
Suzanne Brownless
Senior Attorney

SBr cc:

Office of the Commission Clerk

- J. Wu
- J. Slemkewicz