

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power) DOCKET NO. 930001-EI
Power Cost Recovery Clause) ORDER NO. PSC-93-0124-FOF-EI
and Generating Performance) ISSUED: 01/22/93
Incentive Factor.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK

ORDER APPROVING EFFECTIVE DATE OF
GULF POWER COMPANY'S PURCHASED POWER
COST RECOVERY CLAUSE TARIFF

BY THE COMMISSION:

At the December 15, 1992 agenda conference the Commission voted to reconsider those portions of Order No. PSC-92-1001-FOF-EI that denied Gulf Power Company (Gulf) the opportunity to recover through the capacity cost recovery factor the capacity costs associated with its participation in the Southern Company Intercompany Interchange Contract (IIC). The Commission decided that Gulf Power Company would be permitted to recover the net capacity costs associated with that contract, because those capacity costs were not being recovered in any manner. In addition, the Commission permitted Gulf to recover an amount which represents the net capacity revenues which were included in setting base rates in its last rate case. That amount, equal to \$839,290 on a jurisdictional basis, was to be recovered in each six-month period until Gulf's next rate case, and was not to be adjusted for sales. The two amounts were to be reduced by the capacity revenues which Gulf will receive pursuant to its Schedule E long-term non-firm contract with Florida Power Corporation. The effective date for the change in Gulf's capacity cost recovery factors was not specifically addressed.

Normally, a change which results in an increase in rates would become effective 30 days after Commission approval, but exceptions to this policy are sometimes appropriate, in order to mitigate the impact of subsequent rate changes. We believe such an exception is appropriate here, and we approve an effective date of January 5, 1993 for Gulf's revised factors. It is in Gulf's ratepayers' interest to implement this change as soon as possible. Because the factors were originally filed to be implemented on October 1, 1992, there will be a substantial underrecovery of capacity costs that will necessarily be recovered in the April through September 1993 period. The longer the delay in implementing the factors for the current period, the greater will be the rate impact in the subsequent period.

DOCUMENT NUMBER-DATE

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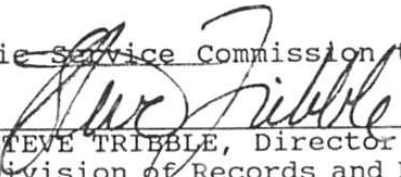
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It is therefore,

ORDERED that the appropriate effective date for the revision to Gulf Power Company's Purchased Power Cost Recovery Clause tariff is January 5, 1993.

By ORDER of the Florida Public Service Commission this 22nd day of January, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

MCB:bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.