

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to suspend) DOCKET NO. 940759-EQ
standard offer contract and) ORDER NO. PSC-94-1342-FOF-EQ
replace Tariff Sheet 9.11 by) ISSUED: October 31, 1994
GULF POWER COMPANY.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

On July 15, 1994, Gulf Power Company (Gulf) petitioned this Commission to suspend its standard offer contract for firm capacity and energy, and to revise tariff sheet 9.11. That tariff sheet contains the monthly capacity payments available to qualifying facilities and solid waste facilities. On August 18, 1994, we issued Order No. PSC-94-03-FOF-EQ suspending Gulf's standard offer contract to allow our staff time to perform its technical analysis of the change proposed in tariff sheet 9.11.

On August 24, 1993, this Commission approved Gulf's standard offer contract (Order No. PSC-93-1221-FOF-EQ) based on an 80 megawatt combustion turbine (CT) unit with an in-service date of June 1, 1998. The monthly capacity payments associated with that contract were based on then-current cost estimates of CT technology.

By Gulf's petition, it proposes to lower the monthly capacity payments associated with the standard offer contract. Gulf indicates that:

...based on recent engineering estimates, the costs associated with the construction of a combustion turbine with an in-service date of June 1, 1998, have been reduced.

Data provided by Gulf indicates a 16 percent reduction in total installed cost, declining from \$396/kW to \$332/kW. We agree with our Staff after its thorough review of the data filed by Gulf,

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that in recent years, technological improvements in CT units, coupled with additional manufacturers competing in the market, and increased demand for CTs have put downward pressure on costs.

For these reasons we find that Gulf's revised monthly capacity payment in it's current standard offer contract are appropriate and that Gulf's petition to revise the monthly capacity payments contained in its revised tariff sheet 9.11 is approved.

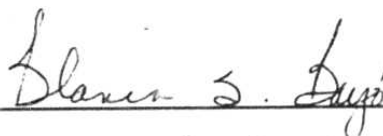
Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Gulf Power Company's petition to revise tariff sheet 9.11 as described in the body of this Order is hereby approved. It is further

ORDERED that if a protest is filed in accordance with the requirements set forth below, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no protest is filed in accordance with the requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 31st day of October, 1994.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

MRC

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.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on November 21, 1994.

In the absence of such a petition, this order shall become final on the day subsequent to the above date.

Any objection or protest filed in this docket before the issuance date of this Order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater 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 of the date this Order becomes final, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.