BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for rate increase by Gulf Power Company.

DOCKET NO. 010949-EI ORDER NO. PSC-02-0219A-PHO-EI ISSUED: February 25, 2002

AMENDATORY ORDER TO PREHEARING ORDER

On February 22, 2002, Order No. PSC-02-0219-PHO-EI was issued, to govern the Hearing in Docket No. 010949-EI, Request for rate increase by Gulf Power Company. Due to clerical errors, the Order is not entirely accurate. The items below contain corrections to the Order.

1. OPC has supplied issue numbers which will be addressed by each OPC witness, as laid out below:

Witness Issues

Schultz: 1, 6, 7, 8, 9A, 9B, 16, 18, 24,

25, 27, 29, 30, 31, 40, 41, 50, 51, 55, 58, 62, 64, 65, 66, 67,

68, 71A, 71B, 72, 75, 81, 82,

84.

Dismukes: 41, 42, 48, 54, 84

Rothschild: 34, 35, 36,37, 84

Majoros: 6, 74, 75, 84

Zaetz: 74, 75, 84

2. OPC's position on Issue 74 is in error. OPC's correct position for issue 74 is:

The appropriate rate should be based on a life of 30 years. (Majoros, Zaetz)

The language contained in the Prehearing Order should be stricken and replaced with the above language.

SOCHALF, HI MALHEI V.

ORDER NO. PSC-02-0219A-PHO-EI DOCKET NO. 010949-EI PAGE 2

3. The parties have resolved Issue 39 as a proposed stipulation: proposed stipulation No. 16 (Category 5). The language of the stipulation is worded incorrectly, and should be replaced with the following language:

The appropriate inflation factors are those shown Gulf's response to Staff Interrogatory No. 192. This results in a \$100,000 reduction to O&M expenses.

4. Also at the Prehearing Conference, following discussion by the parities, it was agreed that Issue 38 would be shown as a Category 5 Stipulation (Gulf and Staff agree; FEA, FIPUG, FCTA, and OPC have no position). This was left off the list of proposed stipulations in Section X of the Prehearing Order. Accordingly, Issue 38 should be shown as stipulated with the following language:

Gulf's projected level of Total Operating in the Revenues amount of \$372,714,000 (\$379,009,000 system) for the May 2003 test year should be reduced by \$1,652,000 to reflect the impact of the Commission approved change to the Purchased Power and Capacity Cost Recovery Clause calculation as discussed in Issue 45. Total Operating Revenues should also be reduced if the Commission chooses to remove gross receipts tax from revenues and expenses in the calculation of Net Operating Income, rather than removing gross receipts tax from total revenue requirements in the calculation of proposed base rates.

Accordingly, the changes enumerated above shall be made to Order No. PSC-02-0219-PHO-EI. That Order is reaffirmed in all other respects.

ORDER NO. PSC-02-0219A-PHO-EI DOCKET NO. 010949-EI PAGE 3

Based on the foregoing, it is

ORDERED by Chairman Lila A. Jaber, as Prehearing Officer, that Order No. PSC-02-0219-PHO-EI is hereby amended as set forth in the body of this order. It is further

ORDERED that Order PSC-02-0219-PHO-EI is reaffirmed in all other respects.

By ORDER of Chairman Lila A. Jaber, as Prehearing Office this 25thday of February, 2002.

LILA A. JABER

Chairman and Prehearing Officer

(SEAL)

LDH